



**THE HON TONY ABBOTT MP**  
**MINISTER FOR HEALTH AND AGEING**  
Leader of the House of Representatives

**2006-07 NHMRC STATEMENT OF EXPECTATION**

As the Minister for Health and Ageing and in accordance with the recommendation of the *Review of the Corporate Governance of Statutory Authorities and Office Holders*, conducted by Mr John Uhrig AC, I hereby provide the National Health and Medical Research Council (NHMRC) with a Statement of Expectation for the financial year 2006-07.

During this period, the Government expects the NHMRC to:

**ETHICS**

- Take a prominent role in:
  - reviewing ethical guidelines for health and medical research conducted in Australia and ensuring that these guidelines are given more substantive consideration in order to keep pace with emerging issues
  - promoting ethical standards for health and medical research conducted in Australia, both to those working in the field and to the broader Australian public
  - networking with other state and territory jurisdictions to ensure a consistent ethical standard is applied to health and medical research work undertaken throughout Australia
  - instigate reviews in instances where there is reason to believe that ethical guidelines have been breached in the conduct of health and medical research in Australia.

**COMMERCIALISATION**

- Develop and implement a framework for supporting the transition of health and medical research outcomes through to commercialization, with the express objective of ensuring that Australia's economy benefits more effectively from its investment in such research.

**MANAGEMENT ADVISORY COMMITTEE (MAC)**

- Establish a Management Advisory Committee, consisting of:
  - the Chief Executive Officer (CEO) (MAC Chair)
  - Chair of Council
  - Council Industry Representative
  - Other Industry Representativewith the primary aim of developing a strategic direction, strategic plan and enhancing connections with business through opening up investment opportunities, opening up opportunities for commercialisation of discovery and promoting the direction of philanthropy towards medical and biological research.

**NATIONAL INSTITUTE FOR CLINICAL STUDIES**

- Incorporate the National Institute for Clinical Studies (NICS) into the NHMRC.

### COMMITTEES

- Operate all committees (including Council, Principal Committees, Working Groups and the MAC) effectively and clearly articulate their aims and objectives for their triennium term of appointment.

### RESEARCH GRANTS

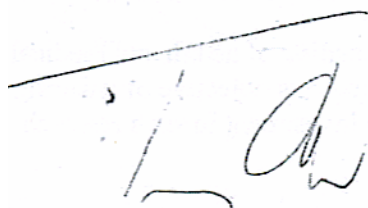
- Administer research grants with a high degree of integrity and probity. Grants processes are to be conducted smoothly and completed within a timely manner. Research grants are to be managed effectively and efficiently with the objective of ensuring to continue Australia's strong international leadership in health and medical research outcomes and innovation.

### ADMINISTRATION

- Establish sound administration practices and principles in accordance with Australian Public Service standards, legislative requirements and best practice principles. The CEO will meet with the Minister (or Minister's representative), as a minimum, on a monthly basis to report against:
  - the NHMRC's progress on the above issues
  - the NHMRC's progress against its business plan
  - the NHMRC's progress against its strategic plan
  - continuing progress against the recommendations of the Grant and Wills reports
  - any other issues of which the Minister should be made aware of.

It is anticipated that the NHMRC will provide a Statement of Intent in response to this Statement of Expectation. This Statement of Intent should be submitted to me no later than 29 September 2006.

As evidenced by the initiatives announced in the last budget, health and medical research is high on the Government's priorities. I look forward to continuing to work with the NHMRC as it continues to build on its successes and high level reputation in supporting health and medical research in Australia.



TONY ABBOTT



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The Hon Tony Abbott MP  
Minister for Health and Ageing  
Parliament House  
CANBERRA ACT 2601

Dear Minister

**NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL  
STATEMENT OF INTENT (2006 – 2007)**

I am pleased to provide you with my *Statement of Intent* for the 2006-07 financial year which sets out my plan for the National Health and Medical Research Council (NHMRC) to achieve the activities outlined in your *Statement of Expectation*.

The announcement in the May Budget for a \$905 million increase in funding towards health and medical research in Australia, including \$670 million directly to the NHMRC, provides a clear indication of the significant expectation the Government has of the NHMRC, and Australia's health and medical research sector.

The Government's decision to establish the NHMRC as an independent statutory agency has provided the NHMRC with an unprecedented opportunity and responsibility. We will expand our support for health and medical research that leads to real health, economic and social benefits through the virtuous cycle. The NHMRC will be the major influence on the future health of Australians through research excellence, strengthened ethical frameworks, and the provision of high quality, valued and relevant health advice to the Australian community.

This *Statement of Intent* will be the primary driver in the development of the NHMRC's ambitious Strategic Plan which will be provided to you before 31 December 2006.

I look forward to working closely with you as we work towards achieving the future vision for the NHMRC. This is an exciting time for the NHMRC.

Yours sincerely

Professor Warwick Anderson  
Chief Executive Officer  
29 September 2006



**NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL  
STATEMENT ON INTENT (2006-2007)**

<b>Minister's Statement of Expectations</b>	<b>NHMRC Statement of Intent</b>
<b>ETHICS</b>	
Take a prominent role in:	The National Health and Medical Research Council (NHMRC) will:
<ul style="list-style-type: none"> <li>• Reviewing ethical guidelines for health and medical research conducted in Australia and ensuring that these guidelines are given substantial consideration in order to keep pace with emerging issues.</li> </ul>	<ul style="list-style-type: none"> <li>• Begin to address the ethical aspects of at least three major national health issues identified in the NHMRC Strategic Plan.</li> <li>• Review ethical aspects of our peer review and decision making processes;</li> <li>• Develop ethical guidelines for researcher interaction with private sector sponsors; and</li> <li>• Finalise development of: <ul style="list-style-type: none"> <li>- <i>Ethical Aspects of Organ and Tissue Donation</i>;</li> <li>- <i>National Statement on Ethical Conduct in Research Involving Humans</i>; and</li> <li>- <i>Australian Code for Responsible Conduct of Research</i>.</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Promoting ethical standards for health and medical research conducted in Australia, both to those working in the field and to the broader Australian public.</li> </ul>	<p>NHMRC will:</p> <ul style="list-style-type: none"> <li>• Develop a targeted communication strategy to promote ethical standards nationally to researchers, health professionals and the Australian community;</li> <li>• Promote the <i>National Ethics Application Form</i> (NEAF) to facilitate consistent and timely decision making by Human Research Ethics Committees (HRECs) across Australia;</li> <li>• Promote the <i>National Statement</i> and the NEAF as tools to educate researchers, research teams and HRECs about ethical standards;</li> <li>• Host a national conference in 2007 to promote understanding of ethical issues in health and medical research and capacity building, education and training; and</li> </ul>
<ul style="list-style-type: none"> <li>• Networking with other state and territory jurisdictions to ensure a consistent ethical standard is applied to health and medical research work undertaken throughout Australia.</li> </ul>	<p>NHMRC will:</p> <ul style="list-style-type: none"> <li>• Undertake structured consideration of jurisdictional health and medical ethical issues through the NHMRC Council agenda; and</li> <li>• In consultation with jurisdictions and other stakeholders, develop a plan for coherent and consistent national approaches on larger national research projects including multicentre clinical trials.</li> </ul>

Minister's Statement of Expectations	NHMRC Statement of Intent
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| <ul style="list-style-type: none"> <li>• Instigate reviews in instances where there is reason to believe that ethical guidelines have been breached in the conduct of health and medical research in Australia.</li> </ul> | <p>NHMRC will:</p> <ul style="list-style-type: none"> <li>• Promptly investigate breaches of ethical guidelines where the research is funded by the NHMRC;</li> <li>• Comment and offer assistance when ethical guidelines are breached in research in other circumstances; and</li> <li>• Bring forward for the Minister's consideration, a proposal for a national systematic approach to promote compliance with national research ethics guidelines following a review of existing processes.</li> </ul> |
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## MANAGEMENT ADVISORY COMMITTEE

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| <p>Establish a Management Advisory Committee (MAC), consisting of:</p> <ul style="list-style-type: none"> <li>• The Chief Executive Officer (Chair)</li> <li>• Chair of Council</li> <li>• Council Industry Representative</li> <li>• Other Industry Representative</li> </ul>  | <p>The NHMRC has:</p> <ul style="list-style-type: none"> <li>• Established the Management Advisory Committee (MAC) and appointed: <ul style="list-style-type: none"> <li>- Professor Warwick Anderson (CEO) – Chair;</li> <li>- Professor Michael Good (Chair of Council);</li> <li>- Dr Colin Sutton (Council member with expertise in business); and</li> <li>- Dr Chris Roberts (Chair of the Board of Research Australia and CEO and President of Cochlear Australia).</li> </ul> </li> </ul> |
| <p>With the primary aim of developing a strategic direction, strategic plan and enhancing connections with business through opening up investment opportunities, opening up opportunities for commercialisation of discovery and promoting the direction of philanthropy towards medical and biological research.</p> | <p>To develop and implement the NHMRC's Strategic Plan for 2006-2009, the CEO will seek MAC advice to:</p> <ul style="list-style-type: none"> <li>• Increase researcher-business interactions;</li> <li>• Increase private sector investment opportunities; and</li> <li>• Increase philanthropic support for health and medical research.</li> </ul>   |

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## COMMERCIALISATION

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| <p>Develop and implement a framework for supporting the transition of health and medical research outcomes through to commercialisation, with the express objective of ensuring that Australia's economy benefits more effectively from its investment in such research.</p> | <p>The NHMRC will:</p> <ul style="list-style-type: none"> <li>• Develop a framework to increase industry take-up of health and medical research outcomes; and</li> <li>• Seek broader views on how to increase commercial development of research by convening a high-level roundtable for industry and investment leaders.</li> </ul> |
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Minister's Statement of Expectations	NHMRC Statement of Intent
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## NATIONAL INSTITUTE OF CLINICAL STUDIES

Incorporate the National Institute of Clinical Studies (NICS) into the NHMRC.

The NHMRC will merge NICS within the NHMRC and continue NICS' work, creating greater capacity to translate evidence into clinical practice.

## COMMITTEES

Operate all committees (including Council, Principal Committees, Working Groups and the MAC) effectively clearly articulating their aims and objectives for their triennium term of appointment.

The Council and all NHMRC Committees will:

- Operate in accordance with the *NHMRC Act 1992* and their Terms of Reference.

The NHMRC will review all Principal Committee and Working Committee Terms of Reference by the end of 2006 to align the Committees and their priorities with the NHMRC's Strategic Plan and 2006-07 business plan. This will ensure that during this triennium, the NHMRC will:

- Develop a vision for the future of Australian health and medical research to maximize benefits for the country;
- Develop medical research, public health research, health services research and health policy research;
- Develop a framework for health and medical research workforce needs and balances; and for a skilled evidence-based health sector workforce;
- Develop strategic research to provide the evidence required for improved national health policy and practice;
- Develop mechanisms for achieving economic benefits from health and medical research;
- Improve governance associated with health and medical research;
- Scope and conduct an independent review of research funding processes and achievements;
- Provide national guidance on ethical issues associated with health and medical research;
- Provide advice, including rapid advice, on the major issues in health care delivery, prevention and health promotion according to best available evidence;
- Consider the highest priority ethical, legal and social issues in human genetics; and



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- Provide advice on opportunities to work with other portfolios with responsibilities that may impact on health to provide the evidence base for decision making.

## RESEARCH GRANTS

Administer research grants with a high degree of integrity and probity. Grant processes are to be conducted smoothly and completed within a timely manner. Research grants are to be managed effectively and efficiently with the objective of ensuring to continue Australia's strong international leadership in health and medical research outcomes and innovation.

The NHMRC will:

- Subject research funding processes to international scrutiny through an independent review, to ensure continued world's best practice;
- Augment the professional administration of research grants;
- Increase transparency of the grant assessment process for 2007;
- Increase independent observers in research assessment processes;
- Finalise and publish timelines for the 2007 grant review process by December 2006; and
- Seek opportunities to provide further international leadership in health and medical research, and seek opportunities for further involvement in regional activities.

## ADMINISTRATION

Establish sound administrative practices and principles in accordance with Australian Public Service standards, legislative requirements and best practice principles. The CEO will meet with the Minister (or Minister's representative), as a minimum, on a monthly basis to report against:

- The NHMRC's progress on the above issues;
- The NHMRC's progress against its business plan;
- The NHMRC's progress against its strategic plan; and
- Continuing progress against the recommendations of the Grant and Wills reports.

The CEO will:

- Provide you with monthly reports on:
  - Progress on the issues outlined in this *Statement of Intent*;
  - Our business and Strategic Plan; and
  - Current issues of interest
- Implement and report on progress of the recommendations of the *Investment Review of Health and Medical Research* including an ongoing assessment of the following three key major issues:
  - Policy and Practice Focused Research;
  - Commercialisation; and
  - Building a better NHMRC by restructuring the office and appointing additional research, health-care senior management and research literate staff.
- Enable the NHMRC to respond more rapidly to emerging national health issues; and
- Increase the openness and transparency of the

Minister's Statement of Expectations	NHMRC Statement of Intent
	<p>NHMRC's processes.</p> <ul style="list-style-type: none"> <li>• Acting in accordance with the <i>Public Service Act 1999</i>, the <i>Financial Management and Accountability Act 1997</i>, and the Public Service Code of Conduct, effectively implement and maintain high standards of corporate governance and accountability through: <ul style="list-style-type: none"> <li>- Compliance with all relevant government legislation and policy;</li> <li>- Maintenance, regular review and promulgation of all policies and guidelines; and</li> <li>- Timely presentation of the NHMRC's Annual Report to Parliament.</li> </ul> </li> </ul>
<p>Any other issue of which the Minister should be made aware of.</p> <ul style="list-style-type: none"> <li>• <i>The Prime Minister's press release of 23 June 2006 in relation to the Legislation Review ("Lockhart Review"), indicated Government support for recommendations from the Lockhart Review for administrative improvements that will help reduce red tape in the licensing process and provide further support to the regulatory scheme by enhancing the NHMRC guidelines.</i></li> </ul>	<p>The NHMRC will:</p> <ul style="list-style-type: none"> <li>• Develop and implement a program for reviewing and enhancing relevant guidelines and providing administrative improvements in the licensing process under the <i>Research Involving Human Embryos Act 2002</i>; and</li> <li>• Ensure the Minister and the Department of Health and Ageing are briefed on emerging issues which may arise during this reporting period.</li> </ul>