



MEDIA RELEASE

Minister for Health and Ageing

Tony Abbott MHR

7 September 2005

ABB108/05

New governance arrangements for NHMRC next year

The Commonwealth Government has decided that the National Health and Medical Research Council (NHMRC) will become a fully independent statutory agency from 1 July 2006.

This will streamline the council's governance arrangements and improve its ability to respond to emerging health and research priorities.

The agency will remain within the Health and Ageing portfolio and continue to provide the Australian Government with independent expert advice on important health issues; on the allocation of government funding for health and medical research; and on ethical issues in health and research involving humans.

These new governance arrangements will ensure the NHMRC has capacity to manage its operation with clearer lines of accountability and reporting.

In December last year, I released the report of the Investment Review of Health and Medical Research, undertaken by Mr John Grant, Executive Chairman of the investment company Grantham Capital and Chairman of the New Zealand Venture Investment Fund (VIF) Limited.

The Grant Review found that while the NHMRC had achieved significant recognition as a professional organisation, there was scope to improve its governance arrangements, build better linkages with business to improve investment in health and medical research, and to strengthen the translation of research findings into health policy and practice.

The new arrangements include a Management Advisory Committee which will assist the Chief Executive Officer on building stronger relationships with external organisations.

The new arrangements are also consistent with suggested improvements to NHMRC governance outlined in a 2004 performance report by the Australian National Audit Office.

These new arrangements complement the Australian Government's investment in health and medical research, which has more than doubled since 1999. During the past 12 months the government has provided more than \$411 million for health and medical research through the NHMRC. This will increase to \$447 million in 2005-06.

For more information call Mr Abbott's office on ph 02 6277 7220.