

How might health and medical research be best managed and funded in Australia?

I would like to draw the attention of the review to two issues concerning funding of research by the NHMRC. I will discuss these in the context of research using genetically modified mice, however, the principles apply to all areas of medical research funded by project grants.

1. How is preliminary data funded?

An important component of a successful NHMRC project grant is “preliminary data”. In essence this means that the key experiments have been performed to the point where the committee is satisfied that the project is likely to succeed. In most cases this means that several year of work are necessary to generate sufficient “preliminary data”. For example in the case of mouse molecular genetics it would be reasonable to require two years and circa \$100,000 to generate a mutant mouse strain and a further year to perform an initial analysis of the phenotype. This would then form the “preliminary data”.

There is no mechanism to fund the generation of “preliminary data”. This means that in practice a project grant becomes a retrospective grant-in-aid, which, in many cases may be used to generate the next round of “preliminary data”.

2. How are infrastructure costs calculated and funded?

The project grant funding policy contains the following statement:

Animal Agistment Costs

Requests for animal agistment costs must be fully justified in the DRC component of the application form.

*The NHMRC will support the costs of animal agistment that are **a direct requirement of the research project**. Animal agistment costs may include the costs of food and caging, and of experimental breeding, during the course of the project. For information on animal agistment costs, consult your Administering Institution. The purchase of animals should be included in DRC.*

*The NHMRC will not support infrastructure costs that should normally be provided by the Animal House of the host institution (such as administration or support of **Animal House staff**) regardless of whether or not the institution has its own Animal House.*

Clearly there is the expectation that infrastructure funding will cover part of the mouse husbandry costs. However, this funding is inadequate.

This policy is discriminatory. It allows the purchase of mice from a commercial supplier for experimental purposes. The cost of these mice would include a proportion of the cost of the infrastructure, depreciation of equipment etc. and also the salaries of animal house staff and administrative staff, required to produce them in addition to a modest profit, none of which is allowed if the mice are produced in-house.

The definition and funding of “infrastructure” and “direct research costs” in these policy documents needs to be examined such that it is actually possible to perform the experiments supported by project grants.