

# EXPLANATORY STATEMENT

Issued by the Authority of the Treasurer and the Minister for Finance

*Medical Research Future Fund Act 2015*

## **Medical Research Future Fund (Crediting of Amounts) Determination 2017**

### **Outline**

Section 15 (1) (a) of the *Medical Research Future Fund Act 2015* (the Act) provides that the responsible Ministers may determine by writing that a specified amount is to be credited to the Medical Research Future Fund Special Account on a specified day. Section 15 (2) of the Act provides that in making a determination, the responsible Ministers must (subject to section 15 (4)) have regard to the object of the Act. The object of the Act, set out in section 3 of the Act, is to improve the health and wellbeing of Australians by establishing the Medical Research Future Fund (MRFF) to provide grants of financial assistance to support medical research and medical innovation.

The purpose of this *Medical Research Future Fund (Crediting of Amounts) Determination 2017* is to require that \$2,242,200,000.00 be credited to the Medical Research Future Fund Special Account on 3 July 2017. This amount consists of savings from the Health portfolio. The Government announced the establishment of the MRFF and the estimated value of Health portfolio savings that would be credited to the MRFF in the 2014-15 Budget. In the 2017-18 Budget, the Government announced that it would not proceed with two 2014-15 unlegislated Health Portfolio Budget savings measures – *Pharmaceutical Benefits Scheme – increase in co-payments and safety net thresholds* and *Simplifying Medicare safety net arrangements*.

Section 15 (3) of the Act provides that the determination is a legislative instrument for the purpose of the *Legislation Act 2003* but is not subject to disallowance under section 42 of the *Legislation Act 2003*.

The determination commences on the day it is registered on the Federal Register of Legislation.

### **Consultation**

In accordance with section 17 of the *Legislation Act 2003*, consultation has taken place with the Department of the Treasury and the Australian Office of Financial Management.

The Office of Best Practice Regulation (OBPR) has advised that the proposal is not likely to have a regulatory impact on business, community organisations or individuals, therefore a Regulation Impact Statement is not required (OBPR ID: 22410).

**The Hon Scott Morrison MP**

**Treasurer**

**Senator the Hon Mathias Cormann**

**Minister for Finance**