

# Draft Queensland Institute of Medical Research Bill 2024

Consultation Paper  
September 2024



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# Purpose

This consultation paper provides information about the draft Queensland Institute of Medical Research Bill 2024 (Bill). The consultation paper should be read with the attached draft Bill.

The draft Bill and this consultation paper are for **consultation purposes only** and do not represent Queensland Government policy.

Your feedback on the draft Bill would be greatly appreciated. The closing date for feedback is **5pm, Friday 27 September 2024**.

Feedback can be provided via email to [legislationconsultation@health.qld.gov.au](mailto:legislationconsultation@health.qld.gov.au).

Your views are valuable and may be referred to in material provided to Government in considering this proposal. If legislation is progressed, your feedback may be referred to in public documents, for example, as part of parliamentary committee processes.

If you have any questions or require further information, please contact us via the above email address before the closing date and we will respond to your query.

# Background

In 1945, the *Queensland Institute of Medical Research Act 1945* (QIMR Act) established the Queensland Institute of Medical Research (Institute) as a statutory body for the purpose of medical research. The Institute is a world leader in scientific research and home to approximately 1,000 scientists, support staff and students. The Institute is recognised for its ground-breaking research in immunotherapy and genomics. It is also internationally renowned for its research into skin cancer, malaria and other mosquito-borne diseases, and the genetic risk factors associated with various cancers and mental health disorders.

The Institute is a registered charity with the Australian Charities and Not-for-profits Commission. The Institute is managed and controlled by the Council of the Queensland Institute of Medical Research (Council).

The QIMR Act is being remade to modernise the legislation, for example by updating governance provisions, and to address practical and operational issues that have been identified in the administration of the Act. This will ensure the QIMR Act remains fit for purpose and continues to promote transparency and accountability.

The draft QIMR Bill is consistent with the purpose and policy objectives of the QIMR Act. However, the overall structure of the Act has been revised and a number of key concepts and provisions have been updated to enhance their operation, improve readability and clarity, and reflect contemporary legislative drafting standards. A small number of policy changes are proposed as part of the draft QIMR Bill. These proposed changes are explained below.

# Summary of proposed changes to the QIMR Act

QIMR Act	Intent of Provision	Draft QIMR Bill	Proposed Amendments
Preliminary (Part 1)	To prescribe the name of the Act and provide definitions for the Act.	Part 1	Minor revisions to reflect contemporary drafting practice and improve clarity – no policy change.  Changes include: <ul style="list-style-type: none"> <li>• updating the name of the Act</li> <li>• setting out how provisions of the Act will be commenced</li> <li>• clarifying that the Act binds all persons, including the State and, as far as Parliament’s legislative powers permit, the Commonwealth and the other States</li> <li>• providing for the dictionary contained at schedule 1 and updating the definitions to reflect the amended and additional provisions.</li> </ul>
The Institute and the Council (Part 2, sections 3 to 4A and 12A)	To establish: <ul style="list-style-type: none"> <li>• the Institute and prescribe its purpose</li> <li>• the Council as a body corporate and statutory body.</li> </ul> To prescribe: <ul style="list-style-type: none"> <li>• the Council’s functions, which include management of the Institute</li> <li>• the administration of the Act shall be subject to the Minister.</li> </ul>	Part 2, divisions 1 and 2	Minor revisions to reflect contemporary drafting practices and improve clarity.  Changes include: <ul style="list-style-type: none"> <li>• removing section 4 (Administration of Act), which is redundant as the Administrative Arrangement Orders provide for this</li> <li>• updating the purpose of the Institute to reflect its current scope of work</li> <li>• clarifying that the functions and powers of the Council include any other function or power given to the Council under the Act or another Act.</li> </ul>

QIMR Act	Intent of Provision	Draft QIMR Bill	Proposed Amendments
<p>Membership of Council (Part 2, sections 5 to 6 and 8P)</p>	<p>To prescribe matters relating to the membership of the Council, including:</p> <ul style="list-style-type: none"> <li>• maximum number of members</li> <li>• method and considerations for appointment of members by the Governor in Council (including the chair and deputy chair)</li> <li>• appointment terms</li> <li>• when and how a seat may become vacant.</li> </ul>	<p>Part 2, division 3</p>	<p>Majority of revisions are minor to reflect contemporary drafting practices and improve clarity. These changes include:</p> <ul style="list-style-type: none"> <li>• updating ministerial considerations to include gender diversity of the council members and the Queensland Government’s policy about gender equity on boards</li> <li>• clarifying the circumstances in which the Governor in Council may remove a Council member from office</li> </ul> <p>Changes to align the Bill with modern legislation establishing statutory bodies include:</p> <ul style="list-style-type: none"> <li>• inserting a new provision which prescribes when a person is disqualified from becoming or continuing as a Council member</li> <li>• inserting a power for the Minister to obtain criminal history information about current and prospective Council members</li> <li>• making it an offence if a Council member fails to notify the Minister about a change in criminal history</li> <li>• making it an offence to disclose criminal history information unless permitted under the Act.</li> </ul> <p>Further details on the criminal history requirements are below (<a href="#">Criminal history requirements</a>).</p>
<p>Meetings of Council (Part 2, sections 7 and 8)</p>	<p>To prescribe:</p> <ul style="list-style-type: none"> <li>• what constitutes a quorum</li> <li>• acting arrangements for chair/deputy chair absence</li> <li>• requirements for holding meetings and convening special meetings</li> <li>• the chair has casting vote</li> <li>• Council member entitlements.</li> </ul>	<p>Part 2, division 4</p>	<p>Majority of revisions are minor to reflect contemporary drafting practices and improve clarity.</p> <p>Changes to align the Bill with modern legislation establishing statutory bodies include:</p> <ul style="list-style-type: none"> <li>• updating requirements for meetings, including the requirement for conflicts of interest to be declared and minuted. Further details on the council meeting procedures and the requirements to declare a material personal interest are below (<a href="#">Council meeting procedures</a> and <a href="#">Declaration of material personal interests</a>).</li> </ul>

QIMR Act	Intent of Provision	Draft QIMR Bill	Proposed Amendments
			<ul style="list-style-type: none"> <li>requiring the Council to inform the Minister about matters that may significantly affect the financial viability, administration or management of the Institute or Council. Further details on the obligation to notify the Minister is below (<a href="#">Notification and information requirements</a>).</li> </ul>
Advisory Committees (Part 2, section 8)	To prescribe: <ul style="list-style-type: none"> <li>that the Council may select persons to form an advisory committee/s to advise Council on any matter within the scope of the Council's functions</li> <li>entitlements for advisory committee members.</li> </ul>	Part 2, division 5	Minor revisions to reflect contemporary drafting practices and improve clarity. These changes include: <ul style="list-style-type: none"> <li>renaming advisory committees to subcommittees to reflect the fact their role may be broader than just advising</li> <li>clarifying the scope of a subcommittee's role.</li> </ul>
Director and Deputy Director of Institute (Part 2, section 10)	To prescribe: <ul style="list-style-type: none"> <li>the positions of Director and Deputy Director of the Institute</li> <li>that the Director and Deputy Director are appointed by the Governor in Council on conditions approved by the Governor in Council</li> <li>appointment and reappointment terms</li> <li>Director functions</li> <li>Deputy Director acts as Director during vacancies.</li> </ul>	Part 2, division 6	Majority of revisions are minor to reflect contemporary drafting practices and improve clarity. Changes to align the Bill with modern legislation establishing statutory bodies include: <ul style="list-style-type: none"> <li>removing the reference to Deputy Director, as this is an administrative role which can be appointed without the need to prescribe in legislation.</li> </ul> More material changes include: <ul style="list-style-type: none"> <li>removing the requirement for Governor in Council appointment of Director</li> <li>providing that:               <ul style="list-style-type: none"> <li>the Director is appointed by the Council subject to Minister approval</li> <li>conditions of appointment are decided by the Council</li> <li>during a vacancy the Council may appoint an acting Director (without the need for Minister approval), to act for up to six months.</li> </ul> </li> </ul> Further details on the appointment of the Director of the Institute and the removal of the role of the Deputy Director are below ( <a href="#">Director and Deputy Director</a> ).
Employees of Institute	To prescribe:	Part 2, division 7, clause 38	Minor revisions to reflect contemporary drafting practices and improve clarity.

QIMR Act	Intent of Provision	Draft QIMR Bill	Proposed Amendments
(Part 2, section 11)	<ul style="list-style-type: none"> <li>the position of Secretary of the Institute, to be appointed by the Council</li> <li>the Secretary's term and entitlements</li> <li>that the Council may appoint and employ persons to carry out the functions of the Institute</li> <li>employee entitlements.</li> </ul>		<p>Changes to align the Bill with modern legislation establishing statutory bodies include:</p> <ul style="list-style-type: none"> <li>removing reference to Secretary, as this is an administrative role which can be appointed without the need to prescribe in legislation.</li> </ul>
<p>Engagement of Researchers</p> <p>(Part 2, sections 11 and 11A)</p>	<p>To prescribe:</p> <ul style="list-style-type: none"> <li>that the Council may engage honorary researchers and researchers for joint projects (researchers)</li> <li>that researchers are taken to be employed by the Council</li> <li>that the Council may enter into a contract of insurance with WorkCover Queensland for researchers.</li> </ul>	<p>Part 2, division 7, clause 39</p>	<p>Minor revisions to reflect contemporary drafting practices and improve clarity. These changes include:</p> <ul style="list-style-type: none"> <li>combining 'honorary researchers' and 'researchers for joint projects' under one section and naming them both 'researchers'</li> <li>removing the reference to WorkCover Queensland insurance for researchers, as a contract may be entered into without the need to prescribe in the legislation.</li> </ul>
<p>Discoveries and Inventions</p> <p>(Part 3, sections 18 and 19)</p>	<p>To prescribe:</p> <ul style="list-style-type: none"> <li>that all discoveries, inventions and improvement in processes made by officers and employees are vested in the Council as its sole property</li> <li>that the Council may pay bonuses to a successful discover or inventor who is or was an officer or employee of the Institute</li> <li>that Governor in Council approval must be sought before making a bonus payment if the total amount of bonuses paid to discoverers/inventors in a financial year is, or will be, more than \$10 million.</li> </ul>	<p>Part 2, division 7, clauses 40 and 41</p>	<p>No policy change regarding intellectual property being owned by the Council. Majority of revisions are minor to reflect contemporary drafting practices and improve clarity. These changes include:</p> <ul style="list-style-type: none"> <li>renaming bonuses to commercialised incentive payments to better reflect the nature of the payments</li> </ul> <p>More material changes include:</p> <ul style="list-style-type: none"> <li>increasing the \$10 million pooled limit for all intellectual property in a financial year to: <ul style="list-style-type: none"> <li>\$10 million per item of intellectual property</li> <li>\$5 million per person/per item of intellectual property.</li> </ul> </li> <li>clarifying that commercialised incentive payments must be paid from the net commercialisation revenue for the item of intellectual property.</li> </ul> <p>Further details on the expanded ability for the Council to pay commercialised incentive payments are below (<a href="#">Commercialised incentive payments</a>).</p>



QIMR Act	Intent of Provision	Draft QIMR Bill	Proposed Amendments
<p>Gifts, devises and bequests (Part 3, sections 14 and 15)</p>	<p>To prescribe:</p> <ul style="list-style-type: none"> <li>that the Council may accept any gift, devise or bequest of real or personal property for the benefit or purposes of the Institute.</li> <li>that acceptance by the Council of a gift, devise or bequest is a complete discharge to the person paying, conveying or transferring the same</li> <li>record and account keeping for gifts, devises and bequests</li> <li>that gifts, devises and bequests shall be applied by the Council in the way directed by the donor, settlor or testator</li> <li>that where no direction is provided, the gift, devise, or bequest may be applied for such purposes as determined by the Council</li> <li>the ways in which the Council may use the gift, devise or bequest, or amounts derived from it</li> <li>when Treasury advice and Minister direction is required.</li> </ul>	<p>Part 3, clause 45</p>	<p>Majority of revisions are minor to reflect contemporary drafting practices, contemporary investment practices and improve clarity. These changes include:</p> <ul style="list-style-type: none"> <li>updating how the council may use gifts/donations/bequests to reflect the interaction with the <i>Statutory Bodies Financial Arrangements Act 1982</i> and the <i>Financial Accountability Act 2009</i> by removing reference to Minister direction, the need for Treasury advice and the different requirements for different donation 'types'</li> <li>clarifying and acknowledging that any financial transaction undertaken by the Council must be undertaken in accordance with the powers provided by, and requirements imposed by, those Acts.</li> </ul> <p>Further details on the Council's requirements to deal with donated goods are below (<a href="#">Process to deal with donated goods</a>).</p>
<p>Miscellaneous</p>	<p>Council sanctioned under <i>Collections Act 1966</i> (Part 2, section 80)</p> <ul style="list-style-type: none"> <li>To deem that the functions of the Council are sanctioned under that Act.</li> </ul> <p>Regulation-making Power (Part 3, section 21)</p> <ul style="list-style-type: none"> <li>To prescribe that the Governor in Council may make regulations under the Act.</li> </ul> <p>Council may carry out agreements (Part 2, section 9)</p> <ul style="list-style-type: none"> <li>To empower the Council to enter into and carry out agreements or arrangements.</li> </ul>	<p>Part 3, clauses 42, 43, 44 and 46</p> <p>Part 4, clause 47</p>	<p>Retain the following provisions with minor revisions to reflect contemporary drafting practices and improve clarity – no policy change:</p> <ul style="list-style-type: none"> <li>Council sanctioned under <i>Collections Act 1966</i> – clause 43</li> <li>Regulation-making power – clause 46</li> </ul> <p>Remove the following provisions:</p> <ul style="list-style-type: none"> <li>section 9, which is redundant given the Council is a body corporate with all the powers of an individual</li> <li>section 11B as it is unnecessary and out of step for modern statutory body legislation</li> <li>section 12, which is redundant given the Council has never utilised and doesn't plan to utilise this provision</li> </ul>

QIMR Act	Intent of Provision	Draft QIMR Bill	Proposed Amendments
	<p>Superannuation Schemes (Part 2, section 11B)</p> <ul style="list-style-type: none"> <li>• To prescribe that the Council may: <ul style="list-style-type: none"> <li>– establish or amend superannuation schemes</li> <li>– join in establishing or amending superannuation scheme, or</li> <li>– take part in superannuation schemes.</li> </ul> </li> </ul> <p>Assistance from departments (Part 2, section 12)</p> <ul style="list-style-type: none"> <li>• To prescribe that the Council may make arrangements with the chief executive of a department to use the services of their officers/employees.</li> </ul> <p>Funding and Budget (Part 2, sections 13 and 13A)</p> <ul style="list-style-type: none"> <li>• To establish a General Fund which receives appropriated amounts from the Consolidated Fund and all fees, revenue and money earned/received by the Council</li> <li>• To prescribe that each year, before 31 August, the Council shall frame and adopt a budget in respect of the General Fund to be approved by the Minister.</li> </ul> <p>Use of premises (Part 3, section 16)</p> <ul style="list-style-type: none"> <li>• To prescribe that the Council may use and occupy any land and buildings granted to them by the Governor in Council.</li> </ul>		<ul style="list-style-type: none"> <li>• sections 13 and 13A as they do not reflect current funding and budgeting arrangements for statutory bodies, which are provided for in other legislation and legislated policies and guidelines</li> <li>• section 16, which is redundant as reliance on this provision in order to grant land to QIMR is no longer required.</li> </ul> <p>Add the following provisions:</p> <ul style="list-style-type: none"> <li>• Annual Report – clause 42 <ul style="list-style-type: none"> <li>– Bring the Act in line with modern statutory body legislation by requiring the Council to include certain information in its annual report prepared under the <i>Financial Accountability Act 2009</i>.</li> </ul> </li> <li>• Delegations and subdelegation – clause 44 <ul style="list-style-type: none"> <li>– Bring the Act in line with modern statutory body legislation by allowing the Council and Director to delegate their functions and powers to appropriately qualified staff of the Institute.</li> <li>– Further details on the inclusion of a power to delegate the functions or powers to the Director are below (<a href="#">Delegation of functions or powers</a>).</li> </ul> </li> <li>• Repeal – clause 47 <ul style="list-style-type: none"> <li>– Repeal the <i>Queensland Institute of Medical Research Act 1945</i>.</li> </ul> </li> </ul>
<p>Transitional Provisions (Part 4)</p>	<p>To prescribe transitional provisions for Acts that amendments to the QIMR Act with the principal amendment being the restructure of the Council.</p>	<p>Part 4, division 2</p>	<p>Remove the current transitional provisions which are no longer required.</p> <p>Include transitional provisions to retain the current appointments of Council members, the Director, Deputy Director, Secretary, Employees and Researchers.</p>

# Overview of the draft Bill

## Purpose

If enacted, the Bill will repeal and replace the QIMR Act, which has been in place for almost 80 years. The Bill will create a modern and effective framework for the Institute and the Council, by inserting integrity, governance and procedural provisions found in modern legislation establishing statutory bodies.

The Bill will address operational and administrative issues to allow the Institute and the Council to effectively discharge their functions, while maintaining high standards of transparency, accountability, and integrity.

Details about the proposed amendments and variations from the QIMR Act are provided below.

## Notification and information requirements

The QIMR Act does not require the Council to notify the Minister of matters that raise significant concerns about the financial viability of the Institute or the administration and management of the Institute.

To improve transparency and accountability, the Bill creates an obligation for the Council to immediately notify the Minister of matters that may significantly affect the financial viability, administration, or management of the Institute or Council (clause 29). For example, a legal proceeding against the Institute that may result in the payment of significant damages or legal costs, or a significant decrease in the value of the funds held on investment by the Institute.

Once the Minister receives notification about a matter that raises significant concern, the Minister may formally request further information to assist in determining the response, if considered necessary after consulting with the Council (clause 30(2)). To remove any doubt, the Bill requires the Council to comply with a request notice issued by the Minister (clause 30(4)). The Bill also enables the Minister to disclose the information received from the Council to an entity the Minister considers appropriate, to assess the financial viability of the Institute or Council or how the Institute or council is being administered or managed (clause 30(6)).

## Criminal history requirements

The QIMR Act provides a list of circumstances in which a Council member's seat becomes vacant, including when the Council member is an uncertificated or undischarged bankrupt or is removed from office by the Governor in Council for misbehaviour or incapacity. The QIMR Act does not provide further guidance on the circumstances that would constitute misbehaviour or incapacity to justify removal from office.

Explicit criminal history requirements, including the power of a Minister to request criminal history information, are common in modern legislation establishing statutory bodies. These requirements, however, are absent from the QIMR Act. Although this does not prevent probity assessments from being conducted, it is preferable to legislate these requirements. This will put beyond doubt that criminal history processes are required for prospective and current Council members, given the public importance of the Institute and the significant amount of money for which the Council is responsible.

The Bill provides the Minister with the power to ask the Commissioner of the Queensland Police Service for a written report about the criminal history of a current or prospective Council member, subject to their written consent (clause 18). The Bill also requires a Council member to immediately notify the Minister if they have been charged with or convicted of an indictable offence unless they have a reasonable excuse (clause 19). Failure to do so will be an offence that is proposed to carry a maximum penalty of 100 penalty units. This is equivalent to similar offences in other legislation establishing statutory bodies.

The proposed criminal history and disclosure requirements reinforce the expectation that Council members are to behave ethically and legally and ensures the Minister is aware of matters that may impact on the integrity of the Council and the Institute. Imposing such requirements is reasonable as there is a strong public interest in ensuring there is appropriate oversight and accountability imposed on people who seek appointment, or are appointed, to the Council.

To ensure criminal history information is not improperly used, the Bill makes it an offence to disclose criminal history information unless permitted under the Act (clause 20).

## Declaration of material personal interests

The QIMR Act does not prescribe conflict of interest procedures for Council meetings. Conflict of interest procedures are common in modern legislation establishing statutory bodies. It is not appropriate for members of the Council to vote on decisions where they hold a material personal interest in the matter being considered.

The Bill provides that a Council member has a material personal interest in the matter being considered, or about to be considered by the Council, if any of the following entities stand to gain a benefit or suffer a loss, either directly or indirectly, because of the outcome of the consideration of the matter (clause 26(2)):

- the Council member;
- the Council member's spouse;
- a parent, child or sibling or other relative of the Council member;
- an individual who is employed by the Council member;
- an employer, other than a government entity, of the Council member; or
- an entity, other than a government entity, of which the Council member is an office holder.

The Bill requires Council members to declare any direct or indirect material personal interest in relation to a matter being considered, or about to be considered at a meeting by the Council and if the interest could conflict with the proper performance of the Council member's duties in relation to the consideration of the matter (clause 26(1)). As soon as practicable after the relevant facts come to the Council member's knowledge, they must declare the nature of the interest to the other members at the meeting (clause 26(3)).

The Bill prohibits a member from participating in any vote in which they have a material personal interest (clause 26(5)). However, the member may participate in the consideration of the matter, only if a majority of Council members agree to the member's further participation (clause 26(4)). Disclosures of interest must be recorded by the Council in the minutes of the meeting at which the matter is considered (clause 26(6)). Failure of a Council member to disclose their interest does not invalidate a decision of the Council (clause 26(7)).

## Director and Deputy Director

The QIMR Act provides that the Director and Deputy Director of the Institute are appointed by the Governor in Council. The Director is responsible for the research work conducted by the Institute and must have both a scientific and an executive leadership background. As limited candidates are suitable for this role, recruitment can be complex with appointees often relocating from interstate or international locations.

The Institute raised concerns that timeframes associated with the appointment process are protracted and hamper the Institute's ability to attract suitable applicants from an already limited pool. Consistent with modern practices and following a review of enabling legislation for statutory bodies, the Bill enables the Council to appoint the Director of the Institute, subject to the Minister's approval (clause 33). This change will provide the Council with an appropriate level of autonomy, while maintaining government oversight over an important role within a statutory body.

To ensure the Council and the Institute can effectively operate during the Director's absence, the Bill provides the Council with the ability to appoint a person to act as the Director for a period of not more than six months (clause 33(4)). This power is enlivened in circumstances where there is a vacancy in the office of the Director, or the Director is for any reason unable to perform the functions of the office.

The Bill requires the Director to immediately notify the Council if they have been charged with or convicted of an indictable offence or become an insolvent under administration unless they have a reasonable excuse (clause 37). Failure to do so will be an offence that is proposed to carry a maximum penalty of 100 penalty units. This is equivalent to similar offences in other legislation establishing statutory bodies.

The role of Deputy Director is like that of a deputy chief executive officer of a statutory body. The functions and appointment of a role akin to the Deputy Director is not generally specified in modern legislation establishing statutory bodies. Such a role is generally appointed administratively by the statutory body. To ensure consistency with modern legislation establishing statutory bodies, the role of Deputy Director of the Institute will not be prescribed

in the Bill. This will provide the Institute with the discretion to make appointments to the role of Deputy Director.

## Delegation of functions or powers

The Bill creates a power for the Council to delegate its functions or powers to the Director (clause 44(1)). The Director possesses the requisite skills, knowledge, and experience to assist the Council to perform parts of the Council's functions. Given the wide range of functions the Council is required to undertake, it is desirable to allow the Council to delegate its functions or powers in appropriate circumstances.

The Bill also creates a power for the Director to delegate their functions or powers to an appropriately qualified employee of the Institute (clause 44(2)), as some tasks may be more effectively delivered if they are given close attention by an employee. As the responsibility for the day-to-day operational management of the Institute is held by the Director, this will support the Director in their management of the Institute by providing a legislated basis for the Director to delegate their functions.

The ultimate responsibility of any delegated function or power will be retained by the principal holder of the function or power. Therefore, prior to delegation, the Director or Council will assess the suitability of the delegate to ensure the delegate can adequately perform the function or power. This provides a safeguard against inappropriate delegation.

## Commercialised incentive payments

The QIMR Act allows the Council to pay a bonus to a successful discoverer or inventor working, or who has worked, as an employee of the Institute or under the auspices of the Council. Bonuses may be paid at the discretion of the Council until the total amount of bonuses paid in a financial year reaches \$10 million. Any payment of bonuses in a financial year that exceeds an aggregate of \$10 million must be approved by Governor in Council before the bonus is paid.

Research work is generally conducted by a team who each contribute to the final outcome. Some members of the team may not fit within the term 'discoverer' or 'inventor'. The Institute has identified a need to reward members of a team beyond discoverers or inventors, to support the Institute's ability to recruit and retain critical research staff, incentivise high quality research, create equity in the payment of bonuses, and acknowledge all people who have made a significant contribution to the commercialised intellectual property.

The Bill replaces references to the payment of 'bonuses' with 'commercialised incentive payments' to better reflect the nature of these payments and distinguish the payments from the usual employment related bonuses that employees may be eligible for (clause 41).

The Bill expands the Council's ability to pay commercialised incentive payments to employees of the Institute, contractors or persons working under other arrangements with the Council who produce intellectual property that is commercialised. This will serve to further incentivise high quality research while providing a reasonable restriction on the dollar amount of commercialised incentive payments that can be paid in a financial year without Governor in

Council oversight and approval. Changes relating to commercialised research payments in the Bill will not affect the Council's ownership of the relevant intellectual property. Eligibility for a commercialised incentive payment will be determined by the Institute in consultation with their research teams.

The current requirement for the Council to seek Governor in Council approval for the payment of bonuses when the aggregate of bonuses for the financial year exceeds \$10 million creates varying levels of scrutiny between bonus payments paid. If the Council exceeds the \$10 million bonus cap towards the end of the financial year, bonuses paid earlier in the financial year will not be subject to the same oversight and approvals, compared to bonuses when Governor in Council approval is required.

In comparison, under Queensland Treasury's Project Commencement Approval Policy, the Minister may approve the commencement of a project valued between \$5 million and \$10 million. The accountable officer or delegate of the Department may approve the commencement of a project valued up to and including \$5 million. Under the approval policy, the commencement of any project valued over \$10 million requires Governor in Council approval.

The Bill provides for a \$5 million per person cap for each item of intellectual property that the person works on (clause 41(2)(b)). This means the Council will be able to pay commercialised incentive payments up to a set sum of \$5 million per person, per item of intellectual property, each financial year. Any commercialised incentive payments paid to a single person for an item of intellectual property exceeding this cap in a financial year will require Governor in Council approval.

The Bill also provides for a \$10 million cap per item of intellectual property (clause 41(2)(a)). This means the Council will be able to pay commercialised incentive payments to multiple people up to an aggregate sum of \$10 million per item of intellectual property, each financial year. Any commercialised incentive payments paid to multiple people for an item of intellectual property exceeding the \$10 million limit within a financial year will require Governor in Council approval. This approach is consistent with Queensland Treasury's Project Commencement Approval Policy and will ensure the Council does not have higher financial delegations than the Minister.

As the Institute is a statutory body, it is ultimately responsible to the Minister for Health, Mental Health and Ambulance Services and Minister for Women. Accordingly, it is inappropriate for the Council to have equal or greater financial discretion over commercialised incentive payments than the Minister. It is also important Governor in Council retains oversight of extraordinary, commercialised incentive payments to ensure risks of waste, fraud or abuse are adequately addressed. These important factors must be balanced against the need to ensure requirements in the Act do not create overly restrictive financial controls.

The Bill also clarifies that commercialised incentive payments can only be paid from the net revenue of the commercialised intellectual property (clause 41(4)).

## Council meeting procedures

The QIMR Act prescribes arrangements for Council meetings, including the number of members required for a quorum to be declared, procedures for when the chairperson is absent or ill, and the power of the chairperson to convene special meetings of the Council. The Act allows the Council to form advisory committees to advise the Council on any matter within the scope of the Council's functions. Advisory committee members need not be Council members. The Act also prescribes that Council members and advisory committee members are paid fees and allowances as approved by Governor in Council.

In addition to the arrangements prescribed in the QIMR Act, the Bill provides further detail about Council meeting procedures (clause 22). This includes specifying that attendance at Council meetings may be via the use of any technology that reasonably allows council members to hear and take part in the discussions as they happen (clause 22(3)). The Bill also renames advisory committees to subcommittees as these entities may do more than advise the Council (clause 31).

The Bill also provides that a decision of the Council or Council subcommittee is not invalid only because:

- there is a vacancy in the membership of the Council or Council subcommittee (clauses 27 and 32); or
- there is a defect or irregularity in the appointment of a member of the Council or subcommittee (clauses 27 and 32).

## Process to deal with donated goods

The QIMR Act provides that the Council may accept any gift or bequest of real or personal property for the benefit or purposes of the Institute. The Council is at risk of receiving donations or bequests that are inappropriate, not required for the Institute's purposes, or involve property of negligible value. Requiring the Council to retain such items may limit the Council's capacity to perform their functions and for the Institute to achieve its aims.

The Bill provides the Council with the ability to sell, exchange or dispose of property that is unfit, not required, or of limited value, subject to the requirements of the *Statutory Bodies Financial Arrangements Act 1982* and *Financial Accountability Act 2009* (clause 45(4)(a)). Ensuring the Council is not required to retain donations that are of little or no value or relevance to the Institute's functions, will support the Institute in achieving its medical research aims. The QIMR Act provides that if a donor or testator directs the donated property to be used for a particular purpose, the Council must apply the property for the particular purpose. The draft Bill clarifies that the Council must apply the donated property in the way directed by the donor, settlor or testator and if that does not apply, it may be used by the Council in a way and for a purpose decided by the Council.