Materials research

Europeans wake up

Luxembourg

EUROPE is to launch an ECU (European Currency Unit) 30 million (£20 million) three-year programme of research on new materials, it was agreed here last week, a year after the proposal was first tabled. The programme covers ceramics to the new neodymium-iron-boron high-field permanent magnets which are posted to replace electromagnets and reduce the volume of electric motors by half. The plan has been held up only because the European Parliament demanded more than either the European Commission had proposed or the Council of Ministers, which takes decisions, could accept.

EURAM, (European Research on Advanced Materials), is a belated response to the spending of some $1,000 million (£666 million) by the US Federal Government each year on materials science, to similar spending in Japan and to the relative weakness of European research and industry in new materials. In the new magnetic technologies alone, which were Japanese and American research discoveries just four years ago, General Motors has already begun pilot production of starter motors.

According to the Commission, "there are still excellent materials laboratories in Europe, but their innovative capacity is one the decline". EURAM aims to help reverse the decline, and also to strengthen perennially weak links between universities and industry. Its budget was less than the ECU 38 million the Commission had requested, but much more than what it had been spending in pilot programme.

In the ambitious "framework programme" also debated by ministers here (see p.718), support for materials research would leap to some ECU 200–300 million over five years. Although the ministers declined to back the whole budget, a further expansion of the new materials programme won political support.

With the framework programme to be debated again in October, the Commission can meanwhile get on with implementing EURAM, which already has a detailed list of projects to support in metallic materials, engineering ceramics and composites. The object will be to link existing laboratories in joint programmes of research, with, preferably, an industrial partner. The programme will not be exclusive to the European Economic Community; the Swedish car-makers Volvo and Saab have already shown interest. Officials claim that 90 per cent of the leading European laboratories in the field of magnetic materials are involved in a pilot programme. **Robert Walgate**

US research overheads

Government semi-retreat

Washington

THE Office of Management and Budget (OMB) bit the bullet last week and published, in the *Federal Register* for 9 June, its final revisions to Circular A-21, the document that determines how institutions are reimbursed for the indirect costs associated with research grants. OMB came under a storm of criticism from universities after publishing its initial proposals for revising Circular A-21 earlier this year.

Indirect costs now represent nearly a third of all payments for research grants, according to OMB figures. To control this steady increase, the new revisions set a fixed allowance of 3 per cent of total research costs for the salaries of department heads and faculty attributable to the administrative overhead costs of research. Institutions receiving federal funds will not have to fill in forms to receive the allowance, which will eliminate the need for the much-hated "effort reports" formerly required to justify payments for time spent on administrative activities.

According to Milton Goldberg of the Council on Governmental Relations, this will give a windfall to universities whose costs have been less than 3 per cent. OMB estimates these costs now run between 5.5 and 6 per cent nationwide (see table).

	Deans, department chairs, lab directors	Faculty
Yale University	0.88	5.88
Boston University	5.74	4.82
University of California, Berkeley	0.30	1.54
Harvard University	1.77	2.30

OMB's first shot at a revision of A-21, first published in the *Federal Register* on 12 February, brought a storm of disapproval from universities and their allies in Congress. The proposal would have capped reimbursements for all administrative costs at 26 per cent for the current fiscal year, a figure that was to drop to 20 per cent for 1987. OMB estimated the government would save $200 million if the original plans had been put into effect. The new plan will save the government only $100 million.

A principal complaint of universities at the time of the initial OMB proposal was that they had not been consulted. Although OMB held numerous meetings with interested parties in the months following publication of the proposal, Goldberg says its final proposal still came as a surprise. Carol Scheman of the American Association of Universities is encouraged that OMB is taking universities' concern seriously, but is unconvinced the new revisions will solve the problem of rising indirect costs. She maintains that such costs will continue to rise as more money is needed for facilities and equipment.

The new regulations must take effect by 1 July 1987, although individual agencies may implement the changes sooner if they wish. The changes will apply only to new federal grants, leaving existing commitments untouched. But a move by Congress may hold up the new rules until October, the beginning of the next fiscal year. Congressman Sidney Yates (Democrat, Illinois) has amended the House version of a supplemental appropriations bill in a manner forbidding government agencies from spending money to implement the new plan.

The original Senate version of the appropriations bill contained a similar form of words. A House/Senate conference will make a decision this week whether to include the provision in the final version of the bill. **Joseph Palca**

Test-tube babies

Tokyo

JAPAN may be on the edge of a test-tube baby boom, according to predictions made by Dr Bob Seamark, an Australian expert in *in vitro* fertilization (IVF), and Dr Masakuni Suzuki, Japan's pioneer of the test-tube baby. Suzuki is so confident of the future that he has built a private hospital near Sendai to deal primarily with infertility problems using IVF techniques. But there are many problems still holding back development of IVF in Japan.

In Japan and Australia the incidence of infertility is similar, with as many as 10–12 per cent of couples unable to produce children. But the number of test-tube babies in Japan stands at only 27 compared with over 1,300 in Australia. Why has Japan lagged so far behind?

The Japanese public and academics are often severe critics of major new medical procedures, as shown, for example, by the outcry against heart transplants and sex selection. But probably more important than this is the lack of government support for IVF research and the cost of IVF treatment. Unlike Australia, IVF is not covered under national health insurance in Japan.

Another major difference between Australia and Japan is the almost complete lack of communication between Japanese scientists involved in reproductive biology research and the clinicians in hospitals who apply IVF techniques. Co-operation between clinicians and scientists, particularly those involved in animal breeding, is, according to Seamark, one of the major driving forces behind the tremendous surge in IVF research in Australia. David Swinbanks