

8 July 2015



Committee Secretary
Senate Standing Committees on Community Affairs
PO Box 6100
Parliament House
Canberra ACT 2600

Medical Research Future Fund Bill 2015 and the Medical Research Future Fund (Consequential Amendments) Bill 2015

Submission from the Bionics Institute of Australia

Dear Committee Secretary

Thank you for the opportunity to make a submission in relation to the Medical Research Future Fund (MRFF), the legislation for which was introduced to Parliament on 27 May 2015.

An active health and medical research sector in Australia is one essential component for the future wellbeing of all Australians and for our nation's economic future.

A further critical component is the funding, resources and expertise needed to take this high quality research through the 'valley of death' so that research findings can be **translated into real benefits for people** in the form of better devices, drugs and therapies. With more than seven million Australians living with a chronic illness, the MRFF offers the injection of funds Australia needs in order to dramatically improve our ability to deliver such benefits.

As Director of the Bionics Institute, I have seen first-hand the impact that translating the excellent medical research conducted in Australia can have through improving the quality of life of patients and reducing the impact of illness on families:

- Our **Bionic Hearing** research has contributed to the world's most reliable and effective cochlear implant (**bionic ear**), now used by over 250,000 people worldwide. We continue to work on improving the bionic ear and expanding our research into areas such as new therapies to prevent continued hearing loss.
- In collaboration with our clinical partners, our **Neurobionics** team of scientists and engineers are developing greatly improved medical bionic devices for people suffering from a variety of treatment-resistant neurological conditions, such as **Parkinson's disease and epilepsy**. These devices are now undergoing pre-clinical and clinical testing – with the potential to transform the lives of the hundreds of thousands of people currently suffering from these disorders worldwide.
- Our **Bionic Vision** team successfully achieved the design, manufacture and testing of Australia's first prototype **bionic eye** that was implanted successfully in 3 patients. Further development to bring the next generation device to the market is currently underway.

In order to resource these remarkable advances, the Bionics Institute has achieved funding from competitive government grants, philanthropic donations, contract research income together with significant investment from our own reserves. However, these sources can be highly cyclical and unpredictable and often make large demands on the time of researchers and support staff.

A more secure funding stream from the MRFF would allow researchers to spend more time on actually conducting R&D and for support staff to plan for the longer-term. The long-term benefits of this will be better patient outcomes, a highly skilled workforce and the development of local high-end manufacturing and export markets for medical products.



We welcome the following specific provisions:

- The definitions of 'medical research' and 'medical innovation' which support a broad remit for the MRFF beyond just research, to include **commercialisation, translation** and the **application** of research.
- The establishment of a skills-based Australian Medical Research Advisory Board to provide expert guidance to the Health Minister in the form of the Australian Medical Research & Innovation Strategy.
- The establishment of Australian Medical Research and Innovation Priorities.
- The requirement that the Health Minister must consider this advice in determining MRFF disbursements.
- The inclusion on the Advisory Board of the NHMRC CEO.
- Amendments to the legislation that require the Finance Minister to act on the direction of the Health Minister in relation to disbursements from the MRFF.
- Provisions which allows for the MRFF to make use of the existing expertise and grant mechanisms of the NHMRC where appropriate, but also provides the flexibility to employ other mechanisms or government agencies where appropriate
- The requirement that the Health Minister report to Parliament every two years on the financial assistance provided from the MRFF, which allows for increased transparency and accountability in the allocation of MRFF disbursements.

Finally, we would encourage the Committee to consider that the MRFF Bill might provide flexibility to allow for a portion of the MRFF capital (rather than disbursements) to be used as venture capital or seed funding for biotech / medical device companies.

The health and economic prosperity of Australia will be achieved through high quality R&D, innovation and translation. The MRFF is the sort of far-sighted public policy we so often encourage governments to undertake and it deserves the support of all sides of politics.

Kind Regards

Professor Rob Shepherd, PhD
Director