



**The Australian Society for Medical Research**

**Submission to:** Senate Community Affairs Legislation Committee

**Inquiry into the Medical Research Future Fund Bill**

**July 2015**

## **Declaration of Interests**

The Australian Society for Medical Research (ASMR) represents members from the health and medical research sector including researchers from universities, hospitals, research institutes, medical colleges, and patient groups.

Some members are recipients of funding from the Australian and/or State Governments bodies, including the National Health and Medical Research Council (NHMRC), and the Australian Research Council (ARC).

ASMR receives direct funding from the NHMRC for ASMR Medical Research Week®, a public outreach program that raises public awareness of medical research in Australia.

### **The Australian Society for Medical Research (ASMR):**

The Australian Society for Medical Research (ASMR) is the peak body representing members from the health and medical research (HMR) sector including researchers from universities, hospitals, research institutes, medical colleges, and patient groups.

Since 1961, ASMR has provided advice to government on behalf of the HMR Sector. The ASMR proudly represents more than 1800 direct members and more than 120,000 additional Australians through our affiliated professional societies, medical colleges and corporate/disease related foundation members.

Importantly, our advice is always evidence based, and our goal is to assist government in developing policy that allows our country's highly skilled health and medical research workforce to maintain, and expand their contribution to the health and economic wellbeing of all Australians.

Australia faces unprecedented health and economic challenges over the next 50 years, with predicted unsustainable escalation of health care costs and an ageing population. Australian health and medical research underpins the Nation's health care system. There is overwhelming evidence that a viable and competitive health and medical research sector can mitigate Australia's current and future health and economic challenges.

### **Medical Research Future Fund (MRFF) – Fostering Excellence in Health and Medical Research – Australia's Future:**

We applaud the Government for recognising the value of health and medical research with the announcement of the **Medical Research Future Fund (MRFF)**.

**ASMR strongly recommends that the existing NHMRC Research Committee take on the role of the MRFF Advisory Board**

ASMR supports the establishment of the MRFF as a long-term strategy to secure the HMR sector, provided the implementation of it does not negatively impact upon health services to the community.

### **The Success of the MRFF Relies on a Strong Foundation of Investment into NHMRC:**

ASMR supports the focus of the MRFF on research innovation and translation, and believes it will 'add value' to what is currently supported by the National Health and Medical Research Council (NHMRC) medical research endowment account (MREA). *ASMR cautions that the MRFF will only add value if the foundations supporting health and medical research in Australia are strong and adequate i.e. base investment into the NHMRC.*

Investment into NHMRC has remained static since 2011 and is projected to remain so for the next 4 years. In real terms this is a declining government investment into the health and medical research sector. This has placed never before seen pressure on health and medical researchers in Australia. In order for Australian researchers to maximise value of the MRFF and respond to the call for innovation, ASMR strongly believes that the only solution is an immediate injection of funds into the NHMRC MREA. This will ensure a viable sector, which continues to support its high calibre researchers and continues to improve health outcomes for all Australians. Although the MRFF and MREA will fund different but complementary research, they are reliant on each other to ensure benefit to the health of all Australians.

Below ASMR outlines its specific concerns regarding the original MRFF bill and also the amendments. We have also provided specific recommendations and advice.

### **Establishment of an MRFF Advisory Board to Develop Innovation Strategies and Priorities:**

ASMR fully supports development of strategies and priorities to foster innovation and translation from MRFF investment. The amendments to the MRFF Bill include establishing an independent expert Advisory Board for the MRFF to provide this. Based on the description of the role and expertise sought for this board provided in the amendments, the ASMR emphasizes that such a committee already exists i.e. the **NHMRC Research Committee**. The NHMRC research committee currently provides advice to Government on national strategies and priorities and has representation from Universities, independent medical research institutes, industry, clinical trials experts, NHMRC CEO, trained consumers, indigenous researchers and includes medical researchers and clinicians. ASMR therefore recommends that **to avoid duplication, reduce bureaucracy, cut red tape and maximise the 'add on value' of the MRFF**, the Advisory Board for the MRFF should sit under the umbrella of the NHMRC Research Committee. To meet the additional innovation requirements we suggest that a sub-committee for the MRFF be formed, which includes experts in commercialisation, policy relating to health systems, and finance and investment.

ASMR advises that the 5 year strategy for the MRFF has a formal consultation with the broad health and medical research sector. As medical research is a key part of the health system, there is an expectation that organisations such as the Australian Medical Association, ASMR, Research Australia, and Consumer Health Group, are active participants in these discussions.

Should government not use the already existing independent NHMRC Research Committee, then more information is required pertaining to the appointment of board members and the relevant selection criteria. Such processes are already in place via NHMRC and should be utilised.

### **MRFF Disbursement Arrangements and Need for Peer-Review:**

ASMR recommends that once the research priorities are established, research funds should be allocated following rigorous peer-review of grants. The NHMRC has established a robust peer-review system with a successful internationally recognised track record of research excellence (>75 year's record of achievement) and improving health outcomes.

- **NHMRC supported publications received 60% more citations than the world average <sup>1</sup>**
- **The average citation rate for Australian health and medical research publications is 17% above the world average <sup>1</sup>**
- **Gains of \$6 billion were linked to increased well-being from investment into the NHMRC between 2000-10 <sup>2</sup>**

For example, NHMRC-supported publications received 60% more citations than the world average and the average citation rate for Australian health and medical research publications was 17% above the world average (1). NHMRC should be utilised to ensure the best quality health and medical research is funded, and a smooth and transparent funding mechanism for the MRFF funds. ASMR acknowledges this will place additional administrative burden on NHMRC, which would likely require additional resources, but this would be more economical than forming an entirely new mechanism of peer-review and administration.

The NHMRC has a long history in safeguarding and supporting health and medical research, giving health advice to the community and government as well as guidelines on ethical behaviour in health

care and the conduct of research. It is an authoritative and important, accountable organisation working for the public good. NHMRC has expertise in administration of government funding to health and medical research.

ASMR seeks clarification on what proportion of the MRFF will be disbursed through the COAG Reform Fund to States and Territories in order to support medical research infrastructure. It is also unclear if such investment will go through any peer review. ASMR advises that peer review is also essential for COAG funding through the MRFF scheme to avoid duplication of investment from the state governments and to ensure that funds are most appropriately used.

### **Long-Term Sustainability of the MRFF:**

Clarification is required on what fraction of the interest generated from the fund will be invested into health and medical research versus building the fund to ensure long-term sustainability. How much additional funds (savings from health budget) are required in the forward estimates to sufficiently build the base case of the fund?

### **Key Recommendations:**

- MRFF Advisory Board already exists via NHMRC Research Committee. ASMR recommends that all strategies and priorities for the MRFF be established under the umbrella of NHMRC Research Committee. An NHMRC MRFF sub-committee could be formed with additional expertise in innovation and commercialisation.
- All MRFF investment must be independently peer-reviewed by NHMRC.
- ASMR recommends that the MRFF is used to build on the strong health and medical research already funded by NHMRC and areas of research which 'value add' should be targeted.
- The Government should consider inclusion of MRFF to fund: Clinical Trials, Innovative 'Big' Ideas, and Industry Partnered Grants to foster translation of basic research to the clinic (e.g. matched dollar for dollar by industry).

Yours Sincerely,

Dr Phoebe Phillips

President

1. NHMRC. Measuring up 2013 – NHMRC supported research: the impact of journal publication output 2003-2009. <https://www.nhmrc.gov.au/guidelines-publications/nh164>
2. Deloitte Access Economics. Returns on NHMRC funded Research and Development. In: 2011, <http://www.asmr.org.au/Publications.html>