



2010/11 Federal Budget Submission

from the

Association of Australian Medical Research Institutes

***Health through excellence in research***

President: Professor Robert Graham AO

December 2009

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## AAMRI: The highest impact research

AAMRI is a peak body for the nation's pre-eminent independent medical research institutes. AAMRI members are accredited by the National Health and Medical Research Council and are recognised leaders in health and medical research excellence, both in Australia and internationally. AAMRI members deliver the highest-impact research based on these common strengths:

### 1. Performance, focus and flexibility

Due to their independence and size, each institute is able to respond quickly to a changing health environment whilst focusing on the research that is their forte. Each researcher has the capacity to devote their career to discovering and developing the most innovative research findings. AAMRI members produce the highest quality research—research that is cited almost twice as frequently as that from all other sectors<sup>1</sup>—and are singularly successful in commercialising research outcomes<sup>2</sup> and in leveraging government funding through sponsorships and donations.

### 2. Diversity and health system integration

Australian medical research institutes are a key component of the nation's health system. All AAMRI members are co-located with a major teaching hospital and represent the interface between clinical and laboratory-based research. Together AAMRI member institutes represent the full spectrum of research, from fundamental research to translational\* and public health research.

Translational research that directly impacts health outcomes is the focus of over 50% of our members' activities. Indeed, several institutes focus exclusively on translational and clinical research. Each AAMRI member is affiliated with a university, and provides a teaching environment to ensure that Australia's top graduates become the next generation of world-class clinician scientists.

### 3. Accountability and independence.

AAMRI members are not-for-profit organisations that comply with the highest standards of ethical and financial accountability. Many of Australia's most knowledgeable businesspeople and scientists serve on the boards of our member institutes, ensuring that the income earned from grants and fundraising is used wisely to achieve the greatest outcomes. Our members' excellence in research performance demonstrates their compliance with the highest standards of governance.

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\* Translational research aims to turn research discoveries into improved preventative and therapeutic strategies to directly benefit patients and the community.

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## AAMRI Proposals: Budget 2010/2011

1. Given the current economic situation, AAMRI recognises the need for fiscal discipline. We also recognise the urgent need for:
  - healthcare reform
  - integration and revitalisation of the nation's health and medical research (HMR) agenda through partnerships between the various sectors of the health arena
  - and the need to ensure equitable healthcare access for all Australians.

AAMRI applauds the government's support of HMR and its generous expansion of these efforts through the provision of over \$644 million towards new capital works for independent institutes in the last Budget, and looks forward to working closely with government to help frame research in the context of health reform.<sup>†</sup>

Accredited medical research institutes (MRIs) are uniquely placed to promote the government's health reform agenda by virtue of their co-location with hospitals and links with universities, and by their ability to rapidly translate fundamental research discoveries into improved preventative and therapeutic strategies. Indeed, translational research that directly impacts health outcomes is the primary focus of over 50% of AAMRI members' activities.

In the interest of health reform, AAMRI urges that **the NHMRC budget be maintained at its current level**, to allow existing projects to come to fruition and to provide for increased efforts to translate research developments into new health measures and improved health outcomes.

2. Despite the need for fiscal restraint, **AAMRI urges increased funding for public health and health services research, and for the implementation of research findings.** This can be fully justified as a critical investment in Australia's future. Increased research in this area will inform government of the impact of new initiatives, both preventative and therapeutic. Investment in such outcomes research has the potential to produce benefits and cost-savings in both the medium- and long-term that will fully offset initial outlays. Further, **consideration should be given to establishing a specific allocation of funds for such research.**
3. Given the importance of implementing the government's health reform agenda, consideration should also be given to **encouraging significant components of the expanded capital works initiatives to be directed towards translational research** at both the specialist and primary care levels. These programs should be aimed at rapidly developing and supporting effective community-based services and improving connections between hospitals and primary and community care services, to better meet patient and community needs, and to ensure equitable access to healthcare services.

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<sup>†</sup>AAMRI supports the initiatives detailed separately in the newly-formed Health Research Alliance Proposal, *Adding Value to Health (2009)* in which the signatories agree to work together and with government to effect change which delivers the best health outcomes for our nation.

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4. To improve Australia's health, **AAMRI recommends the development of Comprehensive Healthcare Centres**, consisting of consortia of hospitals, MRIs, universities, and primary and community health centres. These partnerships will be aimed at improving education and training of health professionals by providing a multi-disciplinary experience across all health care settings. In addition, these centres will inform researchers of the needs of community, in a "bench to bedside and back again" approach.
  5. AAMRI applauds the government's recent initiative to provide funding for the indirect costs of research to universities in a transparent manner and based on excellence. Indeed, full funding of research is a laudable goal for all federal support of HMR.

Accordingly, **AAMRI recommends introducing a new program to increase federal support of the indirect costs of research to accredited MRIs over the next five years to reach 30c per dollar of all peer-reviewed research grants.** We ask the Federal Government to reach an agreement with each state government to provide matching funding, so that medical research institutes receive 60c in indirect cost funding for each dollar of peer-reviewed grants awarded. This would ensure parity with other research sectors such as universities<sup>2</sup> and would ensure that excellence in research is supported, wherever it occurs. This would require an increase in funding of \$140 million per year by 2014 for the federal component.<sup>2</sup>

Such funding will immediately be effectively leveraged by MRIs through their fundraising activities, and will provide critical opportunities for MRIs to direct their efforts towards research that directly benefits patients and the community that are an essential contribution towards achieving the health reform agenda.

6. In future years, when the current economic situation has stabilised, AAMRI would also envisage that funding for HMR via the National Health and Medical Research Council (NHMRC) should increase, to ensure that Australia maintains its research workforce. Specifically, AAMRI recommends that **forward commitments be given to increase the NHMRC budget by 50% in real terms by 2014.** This would ensure that the NHMRC workforce could expand to keep pace with the attrition from retiring researchers<sup>3</sup> as well as ensuring that we realise the expanded opportunities afforded by the new capital works projects funded under the Rudd Government's first budget.

Such an increase will also ensure that Australia not only attracts and retains the best minds, but also the best medical and allied health professionals to successfully implement the Government's health reform agenda.

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## References

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3. Schofield D. Planning the health and medical research workforce 2010-2019: People make research happen. Sydney: Australian Society for Medical Research (ASMR); 2009.

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