



# Association of Australian Medical Research Institutes

## **AAMRI response to the Innovation Review September 2008**

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The Association of Australian Medical Research Institutes (AAMRI) endorses the recommendation of the Innovation Review, *VenturousAustralia* to adopt a national approach to innovation and to dramatically increase investment in research.

The medical research and biotechnology sector is a particular national strength with respect to innovation. Investment in this area leads directly to improved quality of life and longevity for all Australians. Health research should therefore be a key priority for the Rudd Government. However, the recommendations of the Review do not reflect an integrated national approach to innovation in the medical research sector.

Substantial innovation in health and medical research occurs in independent medical research institutes (MRIs) and hospitals as well as in publically funded research organisations and universities. In fact, publication and commercialisation data indicate that MRIs, where research translation to better health is the sole focus, are the most efficient and effective producers of medical research.<sup>1,2</sup> Given this, it is surprising that the recommendations in the Review do not consider innovation occurring in independent MRIs or hospitals.

AAMRI urges the Rudd Government to adopt a whole of Government approach to innovation in all sectors including **health**. We support an urgent restoration of public funding to **all** national research agencies (not just universities and government research agencies) to at least 0.75% GDP by 2010 at an estimated initial cost of \$2.2 billion per annum. We further support growth in the sector to investment levels equivalent with the top quartile of OECD expenditure by 2020 (currently 0.9% GDP).

It is in the national interest that this investment supports the best research wherever it occurs, and that the distribution of these funds rewards efficiency in producing research outcomes. The current omissions with regard to MRIs and hospitals should thus be redressed through the creation of an **inclusive** national innovation system. We make the following specific points with regard to the recommendations in the Review:

### **Recommendation 6.1**

AAMRI supports the recommendation for full funding of both direct and indirect costs associated with **all** national competitive grants including NHMRC and ARC delivered directly to the organisation responsible for the proposal.

We further urge removal of innovation barriers including restricted access to national funding schemes. Just as Universities compete for NHMRC funding (in 2007 they received around two thirds of NHMRC funding), researchers in MRIs and hospitals should be eligible to compete for ARC funding.

### **Recommendation 6.4**

An urgent restoration of public investment in innovation is fully endorsed. However, as stated above, this recommendation must go beyond an increase in funding to "PFRAs and the university research system" to include MRIs and hospital-based

research. To maximize innovation, Australia requires an open and competitive funding system which supports the best research wherever it occurs.

#### **Recommendation 6.8**

Australia has a strong medical research track record. Medical research institutes and hospitals underpin this track record as the most efficient producers (on a per capita basis) of health innovation in Australia and worldwide.<sup>1,2</sup> Australia's international credibility in medical research depends on the integrity of these organisations. Incentives to amalgamate and consolidate smaller institutions to achieve critical mass should not be prescriptive, and should allow flexibility to create the most appropriate environment for innovation in particular health areas. Specifically a diversity of research organisations should be supported on the basis of productivity.

#### **Recommendation 6.13**

Support for establishment of a National Research Infrastructure Committee to advise on strategic investment in innovation. The expertise of the membership of this committee should be aligned with national innovation priorities to include **health and medical research**.

#### **Recommendation 6.14**

Support for funding of an NCRIS successor program including capital and operational support of \$150-\$200 million per annum. The remit of such funding should explicitly include support for **health and medical research** as well as for humanities, social sciences, creative arts and sciences.

#### **Recommendation 12.1**

Given the importance of innovation, the governance arrangements as proposed in the Review would not elevate innovation to a sufficiently high level of government consideration. Innovation demands active involvement across multiple portfolios and this must be reflected in governance structures. We recommend the establishment of an Innovation Cabinet Sub-committee which would develop strategic initiatives and allocate funding for innovation. A COAG working group should also be considered as a means of cohesively integrating State and Territory activities.

A National Innovation Strategy Council with membership drawn from the research, **health**, education and business community should provide advice on innovation strategy to Government.

#### **References**

1. Bourke P, Butler L. Mapping Australia's basic research in the medical and health sciences. *Med J Aust.* 1997;167:610-3.
2. Thomson Scientific. Thomson Scientific ranks Australian Universities and Research Institutions. <http://scientific.thomson.com/press/2007/8413422/>. In. Australia; 2007.