

Universities Australia Submission to the Advisory Board on the Australian Medical Research and Innovation Strategy

June 2016

Universities Australia (UA) welcomes the opportunity to provide a submission to the Australian Medical Research Advisory Board (Advisory Board) on the Australian Medical Research and Innovation Strategy (Strategy). The Medical Research Future Fund (MRFF) is a significant and welcomed new investment in health and medical research that will deliver invaluable health benefits to the Australian population and enhance the commercial opportunities arising from Australia's research.

Health and medical research is Australia's largest and most celebrated research field. Strong public investment in Australian health and medical research has led to internationally recognised breakthroughs, including the Cochlear implant, the cervical cancer and influenza vaccines and spray-on skin for treating burns. Universities are integral to Australia's health and medical research efforts, linking hospitals, independent medical research institutes, government science agencies and industry, and providing the majority of research training.

Australia's exceptional performance in health and medical research is founded on having a strong research sector more generally, with a base of excellence in underpinning disciplines. Medical research draws on many disciplines that would benefit from the same longer-term, whole-of-government strategic thinking that underpins the MRFF and the proposed Strategy.

The proposed building blocks for the Strategy are sensible and provide a strong focus on creating the right policy settings to drive new research developments with the potential to improve interventions and services for better health outcomes. The key issues affecting the wider research and innovation system need to be considered. Australia's ability to capitalise on the MRFF will be diminished if the fundamentals of the research system are not maintained.

Recommendations

UA recommends that the Australian Government continue to invest in the long-term sustainability of the research system as part of the Strategy for the MRFF. In particular, UA recommends that:

- i. the MRFF provides adequate support for the indirect costs of research conducted as part of the grants received under the MRFF;*
- ii. the Strategy strongly support research translation, particularly research outside the scope of the Biomedical Translation Fund;*
- iii. the Strategy encourage and incentivise industry–research collaboration and partnerships;*
and
- iv. the Government continue to consult with the university sector on the Strategy and implementation of the MRFF.*

Full costs of research

Australia's world-class health and medical research has been underpinned by strong public investment, with universities receiving more than 37 per cent of their competitive research grant income in health and medical sciences fields of research.¹ However, inadequate support for the indirect costs of research—such as maintaining laboratories and research facilities—has consistently been recognised as a serious weakness of the Australian research system. The indirect costs of research are real, substantial and ongoing. They include a range of commercialisation, engagement and outreach activities that are fundamental to the success of the MRFF in delivering improved health outcomes.

The recent [Review of Research Policy and Funding Arrangements](#) noted that the current indirect cost support arrangements for health and medical research are overly complex, inequitable and result in a number of unintended policy issues for the research sector. The benefits of new funds for research in the MRFF and the Biomedical Translation Fund will not be fully realised if there is no recognition of the additional indirect costs arising from this funding.

As outlined in [Keep It Clever: Policy Statement 2016](#), the sector calls for a more realistic approach to the level of support for the indirect costs of research. In the absence of any expansion to the current schemes for indirect cost funding, it is essential that the MRFF provide for the indirect costs of research. An aim of maintaining a sustainable funding model for health and medical research should be included in the Strategy and would complement the existing aims and objectives.

Research translation and commercialisation

UA welcomes the Advisory Board's focus on translating research into health outcomes. The new Biomedical Translation Fund is a positive and long-awaited initiative that has been warmly received by the sector. Other areas of health and medical research would also benefit from the same level of investment and support.

Applying current and future research findings to patient treatments and early detection and intervention in primary and community care would have a major positive impact on the health of Australians. Health services and systems research is another critical area that does not receive adequate support in Australia. Further investment in this area would assist decision-makers in government, clinical partnership networks and communities. The translation of population and allied health research related to the prevention and community-level management of high prevalence conditions like obesity, cardiovascular disease, diabetes and mental health disorders would significantly reduce the burden of disease and suffering, and improve the cost-effectiveness of care.

Industry collaboration and partnerships

Improving industry–research collaboration will be key to delivering the innovative medical breakthroughs and improvements that Australia needs. The low levels of industry–research collaboration in Australia are well-documented and has been a key element of the Australian Government's National Innovation and Science Agenda (NISA). Australia ranks last of 26 OECD countries for the percentage of innovation-active businesses collaborating with universities and other research institutions.

A commitment to, and incentives for, collaboration between research institutions and industry as part of the Strategy would further drive medical innovation, boost the commercial outcomes of research and help maximise Australia's return on the MRFF. In addition to sending a strong policy signal around the

¹ Australian Research Council 2015, *State of Australian University Research 2015–16: Volume 1 ERA National Report*, Commonwealth of Australia, Canberra.

Government's collaboration expectations, incentives would help address concerns about additional overheads incurred in collaboration.

Research infrastructure

Research infrastructure is an essential component of innovative and transformative research, including health and medical research. The benefits of new funds for research through the MRFF will not be fully realised if there is no recognition of the additional infrastructure costs arising from this funding.

UA welcomes the Australian Government's commitment of ongoing funding for critical nationally significant research infrastructure and the development of a National Research Infrastructure Roadmap to guide future investment. The National Collaborative Research Infrastructure Strategy (NCRIS) has been instrumental in attracting the best national and international researchers and research collaborators. New capital investment, in addition to the operational funding allocated to current NCRIS facilities, will be critical in generating new jobs and driving improvements in the delivery of health care.

Research training

Additional research activity funded through the MRFF may also lead to increased numbers of health students and early career health practitioners undertaking higher degrees by research in clinical, population health and laboratory-based disciplines. If Australia is to develop a research-led healthcare system and research intensive commercial health industries, consideration will need to be given to appropriate career pathways into universities, the healthcare sector and industry for students and practitioners in medicine, nursing, allied health and sciences.

Governance

UA welcomes the Advisory Board's whole-of-government approach to the medical research agenda. The proposal to allocate funding to key agencies and bodies with the most suitable administrative mechanisms and expertise, such as the NHMRC and the ARC, is sensible. It is essential that we maintain the current focus on excellent research as well as enhancing the transparency of decision-making. UA supports a rigorous, peer-reviewed and competitive application process within the priority areas for MRFF funding.

It is essential that the establishment of the MRFF does not come at the expense of NHMRC funding or support for basic, investigator initiated and multidisciplinary research. Coordination of priorities and funding programs between the NHMRC and MRFF will be particularly critical to ensure the most benefit for all Australians. Complementary application processes should be developed to avoid duplication, and researchers and healthcare providers should be provided with guidance on where to go for advice and funding support.

It is also essential that clear lines of communication between the Board and other agencies, including the Department of Education and Training, the Department of Industry, Innovation and Science, and the Department of Health are maintained to maximise the positive linkages and impacts from the research system as a whole, beyond the funding agencies.

UA looks forward to continuing to work with the Australian Government during the ongoing implementation of the MRFF to ensure a sustainable future and ongoing success for Australia's medical research enterprise.