

Dear Affiliate Members

On May 8<sup>th</sup>, the Australian Federal Treasurer, the Hon. Scott Morrison, handed down his government's fifth budget. As the ASMR President, I was fortunate to attend the Health Budget Briefing in Canberra and the subsequent AIPS post-health budget briefing in Parliament house. Having had a chance to consider the announcements in full, I have provided a summary of the key budget items below that will be of most relevance.

The ASMR congratulates the Government on delivering a science-positive budget that signals their continued intention to support Australian science that will drive Australia's economy and deliver new solutions for better health.

Despite several Deloitte reports now reporting the tremendous value of research supported by the NHMRC, with an average \$3.20 returned for every \$1 invested, there was no new money announced in this current budget, with small inflationary increases factored into the forward estimates. This represents almost 8 years of flat funding (decreases in real terms), with effects being felt across the health and medical research workforce. Recent figures indicate that since 2012, there has been a loss of over 1240 full-time NHMRC-funded researchers. The NHMRC represents a critical component of the health and medical research ecosystem, supporting much of the fundamental, basic discovery research that goes on to underpin transformational health outcomes. The NHMRC also supports other critical research across the pipeline, promotes the development and maintenance of public and individual health standards and issues advice and guidelines on ethics and related issues in the fields of health, human research and animal research.

The ASMR will continue to advocate strongly for an immediate lift in the investment into the NHMRC to ensure that Australia's health and medical research workforce is primed to tackle the future health challenges that Australia will face.

The ASMR was pleased to see increases in the ARC budget over the forward estimates. Much of the very basic, fundamental science that is supported by the ARC goes on to directly impact the discoveries made through health and medical research. The ASMR supports lifting of investment to the ARC, and endorses campaigns to further lift investment into this vital agency.

This budget saw several forward announcements arising from future disbursements of the Medical Research Future Fund (MRFF). The ASMR supports these initiatives as areas of research need, where investment will lead to transformational discoveries in genomic and precision medicine, biotechnology, drug discovery, new insights into mental health, as well as many other initiatives that will improve human health. As some of these commitments are well beyond the forward estimates, the ASMR will seek reassurances that the recently announced missions are protected from any events that may impact full MRFF capitalisation.

The ASMR firmly believes that all decisions surrounding the MRFF disbursements should be made via open and transparent processes that are underpinned by expert peer review, ensuring that taxpayer money is spent in a way that produces best health outcomes. As outlined in a recent article in the ASMR newsletter, "expert peer review is one of the cornerstones of scientific endeavour". The ASMR will continue to champion integrity in science, focussing on the imperative to couple MRFF disbursements to a more open and competitive process that is underpinned by expert peer review.

I would like to reiterate that the ASMR welcomes recent Government commitments to science and to health and medical research. The ASMR membership is diverse, encompassing researchers from across the spectrum. ASMR's voice will continue to be heard in Canberra and around Australia to ensure that the health and medical research workforce is afforded the best ecosystem possible to deliver transformational health outcomes for humanity.

Warm regards  
Roger

#### Commitments to the NHMRC (Medical Research Endowment Account)

- There was no new money committed to the NHMRC in the 2017-18 federal budget
  - \$818 million 2017-18
  - \$829.3 million 2018-19 (1.3%)
  - \$843.8 million 2019-20 (1.7%)
  - \$855.4 million 2020-21 (1.4%)
  - \$868.2 million 2021-22 (1.5%)
- NHMRC departmental costs (i.e. the costs of running the NHMRC, grant administration, grant management systems etc.) see a further cut in the forward estimates of approximately \$3 million
  - \$44.4 million 2017-18
  - \$44.4 million 2018-19
  - \$42.7 million 2019-20
  - \$41.8 million 2020-21
  - \$41.2 million 2021-22

#### Commitments to the ARC

- The ARC saw a slight increase over the forward estimates, with increases seen across discovery and training and also linkage schemes.
  - \$758 million
  - \$766.4 million (1.1%)
  - \$791.7 million (3.3%)
  - \$807.2 million (2.0%)
  - \$823.6 million (2.0%)

#### Commitments from MRFF and MRFF Related Expenditure

- \$1.3 billion towards a National Health and Medical Industry Growth Plan, comprised of forward announcements from the MRFF that include
  - \$500 million for a 10 year Genomics Health Futures Mission (includes an immediate commitment of \$20 million for pre-conception screening trial for SMA, Fragile X & cystic fibrosis; 2017-18 to 2026-27)
  - \$240 million for a Frontier Health and Medical Research Program (2017-18 to 2021-22)
  - \$248 million for rare cancers and rare diseases clinical trials over 5 years (2017-18 to 2021-22)
  - \$125 million over nine years from 2019-20 to establish Targeted Translation Research Accelerator for chronic disease, with focus on cardiovascular and diabetes (2019-20 to 2027-28)
  - \$62.3 million for biomedical and medical technology programs (2017-18 to 2021-22)
    - \$22.3 million Biomedical Translation Bridge
    - \$40 million over 4 years to BioMedTech Horizons Program - \$30 million specifically for medtech by small to medium sized enterprise
  - \$32 million for industry research collaborations (2017-18 to 2021-22)
- \$125 million for Million Minds Mental Health Mission over 10 years (2017-18 to 2026-27)
- \$150.4 million for translation of research into better patient outcomes (2017-18 to 2020-21)

- \$75 million to extend Rapid Applied Research Translation lead by Advanced Health Research Translation Centres and Centres for Innovation in Regional Health
- \$39.8 million for Targeting Health System and Community Organisation Research
- \$18.1 million for Keeping Australians Out of Hospital
- \$17.5 million for Maternal Health research and First 2000 days initiative
- \$20 million for the Australian Medical Research Advisory Board (AMRAB)

#### MRFF Capitalisation & Disbursements

- Forecast payments into the MRFF (predicted closing balance)
  - \$2.2 billion (\$7.05 billion) 2017-18
  - \$2.3 billion (\$9.47 billion) 2018-19
  - \$7.8 billion (\$17.59 billion) 2019-20
  - \$2.4 billion (\$20.18 billion) 2020-21
  - ----- (\$20.47 billion) 2021-22
- MRFF disbursements
  - \$121.5 million (2017-18)
  - \$214.9 million (2018-19)
  - \$386.4 million (2019-20)
  - \$642.9 million (2020-21)
  - \$645.9 million (2021-22)

#### Research Infrastructure

\$1.9 billion towards National Research Infrastructure over the next 10 years to implement the Research Infrastructure Investment Plan. Full details were recently released at <https://www.education.gov.au/government-response-2016-national-research-infrastructure-roadmap>

**dr roger yazbek** | president |  
 suite 702 level 7 37 bligh street | sydney | nsw | 2000  
 T: 02 9230 0333/4 | F: 02 9230 0339 |