



PRESS RELEASE May 11, 2004

A mixed bag for Medical Research!

The 2004 Costello Budget has addressed one of the issues confronting medical research but failed to commit to funding which will build on the previous investment.

Associate Professor Andrew Sinclair, speaking tonight on behalf of The Australian Society for Medical Research (ASMR) said –

- **“ The good news is, this Budget delivers an average \$28 million per year over seven years for institute infrastructure and a one off payment of \$31.2M, also for institutes for building and equipment, in this financial year. Laudable and welcome initiatives.**
- **The bad news is, this Budget does not increase, in real terms, investment in Health and Medical Research.**
- **This means that Australian health and medical research will lose the momentum gained through the previous doubling of NHMRC funding and fall further behind other OECD countries ”.**

Associate Professor Sinclair went on to say -

“Investment in Australian health & medical research delivers Exceptional Returns: \$5 for every \$1 invested.

With analysts predicting a slowing economy from 2005, it is difficult to understand the justification for a decision which does not capitalise on a proven investment and diminishes Australia’s ability to deal with the realities of an ageing population, fewer tax payers and a future health budget blowout.

Investments which provide dividends to the health and economic wellbeing of all Australians are required to deal with the demands of the coming decade. Failure to increase the investment in health and medical research is particularly unpalatable in a Budget operating at a surplus ”.

ASMR will continue to seek bipartisan support for the commitment, in the next Federal Budget, of an additional \$1 billion to Australian health and medical research, phased in over the five years beyond 2004/05.

For further comment, contact:

A/Professor Andrew Sinclair - Mobile 0438-646-020