ASMR
AUSTRALIAN SOCIETY FOR MEDICAL RESEARCH

STRATEGIC EXAMINATION OF RESEARCH AND DEVELOPMENT

ASMR SUBMISSION RE CONSULTATION QUESTIONS

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INTRODUCTION

The Australian Society for Medical Research (ASMR) is grateful for the opportunity to contribute to the strategic examination of Australia's research and development (R&D) system. This initiative represents a pivotal moment for our nation, as it seeks to strengthen the foundations of innovation, collaboration, and investment in R&D. We commend the government for prioritising this comprehensive review, which holds immense potential to shape Australia's future health, economic prosperity, and global competitiveness.

As the peak body representing health and medical researchers, ASMR recognises the national importance of this process and is committed to providing constructive feedback to ensure a robust and impactful R&D ecosystem that benefits all Australians.

ABOUT THE AUSTRALIAN SOCIETY FOR MEDICAL RESEARCH

The ASMR is a non-politically aligned, non-profit organisation established in 1961. ASMR is the peak organisation representing health and medical researchers in Australia through public, political, and scientific advocacy. ASMR's members include individuals from diverse career stages and research areas, as well as affiliate and associate members drawn from specialist medical societies, medical colleges and institutes, and consumer groups.

The ASMR is dedicated to achieving a secure and sustainable health and medical research workforce to facilitate increased productivity in Australian health and medical research.

In response to the consultation questions, the ASMR provides the following submissions.

1. What should an integrated, sustainable, dynamic and impactful Australian R&D system look like?

NATIONAL STRATEGIC FRAMEWORK

Set a clear investment target: Formal adoption of a national R&D intensity target of 3% of GDP by 2035, integrated into the *Measuring What Matters Framework* to drive innovation and productivity.
Annual progress reporting: Government accountability through transparent tracking of R&D investments and outcomes, with a focus on long-term societal returns (ROI approx. $3.50 per $1 invested).

POLICY AND INVESTMENT REFORMS

Centralised Innovation Body: Create a strategic, overarching body to coordinate research and innovation across sectors.
Focus on national priorities: Align R&D with already developed National Science and Research Priorities and review those priorities at an appropriate frequency to ensure relevance.
Tax incentives: Expand the R&D Tax Incentive to support high-risk, high-reward projects in sectors like biotechnology, renewable energy, and advanced manufacturing.
Increase risk tolerance: Shift toward outcome-driven grants that allow flexibility for "fast failure" and iterative innovation.

CROSS SECTOR COLLABORATION

Public-private partnerships: Expand initiatives like MTPConnect to incentivize private-sector R&D investment, particularly in SMEs and startups.
Industry-research alignment: Strengthen ties between universities, government, and industries to translate foundational research into commercial outcomes (e.g., mRNA manufacturing, MedTech).
Streamline funding: Consolidate fragmented R&D programs (currently 151 across 14 portfolios according to AAS) to reduce duplication and enhance impact. Easy navigation of funding opportunities is critical for better public-private partnerships and industry-research alignment.

MEASURE IMPACT

Social and economic outcomes: Measure success through job creation, productivity gains, and global competitiveness, not just R&D expenditure.

SUSTAINABILITY AND INCLUSION

Human capital development: Invest in STEM education and upskilling to address workforce gaps in emerging industries. Ongoing engagement with industry to ensure relevance of tertiary education for emerging jobs market.
First Nations knowledge integration: Incorporate Indigenous knowledge systems into R&D design and evaluation frameworks.
Measure impact
Social and economic outcomes: Measure success through job creation, productivity gains, and global competitiveness, not just R&D expenditure.

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2. What government, university and business policy settings inhibit R&D and innovation, and why?

R&D TAX INCENTIVE CAP

The $150 million cap on claims for the R&D tax incentive may be a disincentive for large-scale R&D investments.

LACK OF CENTRALISED INNOVATION BODY

The lack of a unified strategy and complex funding mechanisms discourage investment and collaboration.

UNDER-FUNDING OF UNIVERSITIES

University reliance on teaching revenue to support research activities is seen as a vulnerability in Australia that does not exist in competitor countries.

UNIVERSITY LEGAL FRAMEWORKS AND RISK APPETITES

While some industry partners plan for long term research-based relationships, many have near term problems that they need to solve. Delays in University contracting hampers progress and reduces likelihood of long-term partnerships forming.

3. What do we need to do to build a national culture of innovation excellence, and engage the public focus on success in R&D and innovation as a key national priority?

PUBLIC ENGAGEMENT

Showcase Australian R&D outputs and impacts and speak openly and frequently about what is coming in the pipeline. Focus on tangible not aspirational examples of impact. Avoid announcements such as 'we've cured cancer' and focus more on tangible examples such as "this device will simplify life for millions, and it is currently being developed in Australia while the manufacturing plant is being built".

INCREASE INVESTMENT

Set a national target of investing 3% of GDP in R&D by 2035, as suggested by the Group of 8.

ESTABLISH A COORDINATED FUNDING BODY

The United Kingdom has a national organisation which coordinates research funding, UK Research & Innovation (UKRI). Australia needs a similar national foundation to oversee, coordinate and administer long-term investments in science and innovation, aligned with national priorities.

4. What types of funding sources, models and/or infrastructure are currently missing or should be expanded for Australian R&D?

STABLE FUNDING

The current funding environment is often unpredictable, with fluctuations in government grants and other sources. A more stable funding framework would help research institutions plan long-term projects.

TRANSLATIONAL NATIONAL RESEARCH INFRASTRUCTURE

Translational national research infrastructure (tNRI) has been identified as a requirement, but this is very particular to each STEM sector and so a careful planning of which types of tNRI (multi-client, multi-purpose, pilot scale, or small-scale manufacturing) should be publicly funded versus those that could be funded by private capital, is needed.

PUBLIC / PRIVATE PARTNERSHIPS

Encouraging more private sector investment in R&D is crucial. This could be facilitated by improving tax incentives or abolishing the R&D expenditure threshold to encourage larger investments.

5. What changes are needed to enhance the role of research institutions and businesses (including startups, small businesses, medium businesses and large organisations) in Australia's R&D system?

DEVELOPMENT IS DIFFERENT TO RESEARCH

Recognise that development is different to research and require different skills.

There are many University-trained professionals who can do development, but many are no longer in the University system as they do not fit, and funding/career progression models do not support their retention.

We must understand how to better support diverse careers in Universities and Institutes and not simply focus on academics.

DEVELOP STRUCTURES TO INCENTIVISE PARTNERSHIPS

Develop structures that incentivise Universities to work as consultants rather than research partners. As mentioned above this mindset would need adjustment.

For Universities: there is nothing stopping them from finding ways to keep development skills in house to help push IP out.

For businesses: quick, rapid and fit for purpose R&D services are needed that do not cost the earth. Most SME's do not have lots of spare cash so while R&D costs, it would be beneficial to develop ways to offset these costs so that they do not require initial cash outlays.

6. How should Australia support basic or ‘discovery’ research?

FUND FULL COSTS OF RESEARCH

Fund full costs of research to ensure research funding covers all necessary expenses, reducing reliance on the likes of teaching income to supplement grant funding.

COORDINATE APPROACH

The approach to merit-based discovery science needs to be better coordinated.

INCREASE INVESTMENT

Increase investment in basic research through ARC and NHMRC. We need to change the success rates of applications as significant time and effort is wasted on applications for the main schemes, in which 85% to 90%+ applications are unsuccessful. This time and effort is lost to research and substantially increases the cost of our R&D landscape. Increased investment in NHMRC, MRFF and ARC would mean that more internationally competitive fundable research could be supported.

ANALYSE FUNDING CLUSTERS

Careful analysis of current funding clusters. In some cases, clustering of funding is critical to being able to do research at scale, in others it appears to be lots of funds around one idea. Through a national coordinated funding agency, we should develop a scheme (or schemes) that funds cross disciplinary science. This should be at scale that sits between the current schemes and the larger CoE’s or CRCs, possibly similar to the MRFF large grants.

7. What should we do to attract, develop and retain an R&D workforce suitable for Australia's future needs?

BETTER SUPPORT EMCRs

Better support growth of early-mid career researchers so they have opportunities for diverse career paths that align with their expertise and training and allow them to flourish in an environment that blends academia and industry.

MAXIMISE HUMAN CAPITAL

A good use of existing human capital would include seed funding & training to draw 'discovery' researchers towards more translational pipelines. For innovators, an attractive ecosystem needs to be here for them to come. This ecosystem includes infrastructure, workers, capital, and policy settings.

SUSTAINABLE EMPLOYMENT

Provide a vibrant place where jobs are available. Our current research system is in crisis with too many people and not enough jobs (funding). Thus, alternative jobs will need to be sought by many in the research workforce. However, it is not known whether the research workforce is well-equipped to work in R&D or whether the R&D space can accommodate the number of positions currently under threat in the research system.

Therefore, encouraging the presence of seeding the companies, or development hubs, within universities to provide examples of career pathways and opportunities outside the University sector would be advantageous.

8. How can First Nations knowledge and leadership be elevated throughout Australia’s R&D system?

EMBED ICIP PRINCIPLES

Embed Indigenous Cultural and Intellectual Property (ICIP) principles in research practices to promote ethical collaboration and recognition of Indigenous contributions.

INCREASE INVESTMENT IN STEM

Increase investment in STEM education and career pathways for First Nations people, supporting identity, culture, and cultural obligations.

ENSURE RECOGNITION

Ensure that Indigenous knowledge is recognized as a standalone priority in Australia's National Science and Research Priorities.

ENSURE PARTICIPATION

Ensure Aboriginal and Torres Strait Islander peoples lead and participate in all stages of research projects, including project design, data collection, and dissemination of findings.

9. What incentives do business leaders need to recognize the value of R&D investment, and to build R&D activities in Australia?

DEMONSTRATE THE VALUE

Make the R&D system obvious, accessible, affordable and accountable for delivering results. Creation of a single, coordinated funding agency, similar to UKRI, would facilitate this.

10. What incentives do business leaders need to recognize the value of R&D investment, and to build R&D activities in Australia?

MEASURE THE OUTPUTS AND IMPACTS OF R&D

There are numerous papers on how to do this, but some examples are:

- Prominence of Australian research in global measures of research excellence
- Increase number of patents
- Changes in clinical practice
- Population health outcomes, hospital admissions
- Changes in policy
- Diversification of manufactured products.
- New products on market
- Success of STEM-based SMEs
- Profits of innovating companies
- Capital raised and the types of industries its supporting (focussing on diverse investing)

For additional information, please contact ASMR today at asmr@asmr.org.au or call the ASMR Executive Office on (02) 9230 0333.

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