

Hon Mark Butler, MP
Minister for Mental Health and Ageing
Parliament House
Canberra, ACT 2600

July 18, 2011

Dear Minister Butler,

Re: Review of Health and Medical Research in Australia Terms of Reference

Investment in Australian health and medical research has a proven track record of delivering significant economic and health benefits for all Australians, and underpins the whole of health and health reform. The ASMR supports the implementation of new initiatives for developing an optimal environment for conducting sustainable, innovative and world-class HMR in Australia. Our response to key aspects of the draft terms of reference for the review of HMR in Australia are provided below.

A stable environment is paramount for a successful HMR sector. Within the current framework there is no reference to funding structures or implementation strategies for the objective(s) of the review and therefore ASMR suggests the following for inclusion into the draft terms of reference:

- Make recommendations on an appropriate funding structure to enable Australia's world-class HMR sector to effectively underpin the implementation of the health reform agenda.
- Develop an implementation strategy to support the future environment for conducting world-class HMR in Australia.

Of particular concern to ASMR members was the lack of acknowledgement for the important role of basic research the engine of progress and an apparent bias toward translational research. Training and career development was also a recurring area of concern. In the revised Terms of Reference document (below), ASMR has included specific areas that we feel should be covered within each "matter for review". ASMR advocates for a round table discussion with other agencies and the expert panel established to conduct the independent review, to discuss the breadth of material to be examined for each of the terms of reference.

The ASMR believes that this expert panel should be independent of Directors of Medical Research Institutes, Vice Chancellors of Universities or CEOs of Hospitals or equivalent. Health and medical researchers should also be represented on the panel and within each reference group.

The ASMR proposes the following 6 panel members and chairperson:

Chair:	Hon Paul Keating Prime Minister of Australia 1991 - 1996
Consumer:	Prue Power Executive Director, Health and Hospitals Association
Researcher:	Associate Professor Robert Ramsay NHMRC Senior Research Fellow
Clinician:	Professor Chris Baggoley Acting Chief Medical Officer of the Department of Health and Ageing

Previous appointments include Chief Medical Officer and Executive Director of Public Health and Clinical Coordination in the South Australian Department of Health.

- Public Health:** **Professor Melissa Wake**
Associate Director of Research at the Centre for Community Child Health.
Recipient of the Federal Health Minister's Award for Excellence in Health and Medical Research (2009).
- Workforce:** **Philip Derbyshire**
Leader in nursing and practice development.
- Health Economist:** **Lynne Pezzullo**
Director; Deloitte Access Economics; Lead Partner; Health Economics and Social Policy

ASMR looks forward to continued involvement with this Government review.

Kind regards,



Dr. Emma Parkinson-Lawrence
President, The Australian Society for Medical Research

DRAFT 4 July 2011
Review of Health and Medical Research in Australia
Terms of Reference

Preamble

Australia has long boasted some of the best scientists, researchers and medical pioneers in the world. The successes of our researchers – both as individuals and part of organisations – have meant less disease, better treatment, improved quality of life and longer lifespans for Australians.

All Australians benefit from the outcomes of health and medical research, particularly when that research is translated into improved primary and hospital care, aged care, or better preventative health strategies. Our national economy also benefits as research findings lead to the development of innovative new industries as well as though the productivity benefits associated with better health outcomes.

Since the establishment of the National Health and Medical Research Council (NHMRC) 75 years ago, the Commonwealth Government has been a consistent supporter of health and medical research. Government expenditure continues at record levels through the NHMRC. In 2010 the NHMRC committed \$784.9 million across its funding schemes. The 2011 Federal Budget provided a 4.3% increase in funding to the NHMRC. Furthermore, the Government has committed \$700 million to building and upgrading health and medical research and training facilities across Australia. On top of this there is a significant investment by industry and State governments and, to a lesser extent, non-government organisations and through philanthropy.

Context

However, the landscape is changing. Over the last two decades the following changes have emerged:

- The burden of disease in Australia has altered. Chronic diseases, including those associated with ageing, and mental health have replaced acute infectious diseases and acute vascular events as the leading causes of morbidity and mortality.
- The mapping of the human genome and ICT revolution have both accelerated our acquisition of new knowledge while also increasing the resources required for that level of research.
- The nature of research, whereby individuals and small groups could initiate and carry out meaningful research, has also changed and significantly larger infrastructure is now required. New and emerging technologies make it easier for larger groups to work together to achieve more meaningful outcomes.
- There is a growing recognition of the importance of rapidly translating discoveries from basic research into treatment, and ensuring that those breakthroughs become clinical practice.
- Australian's health sector is undergoing significant reform and it is important that our research activities align with that process.

Whereas Australia has been highly successful in research and development ideas up to the proof of concept stage, there are significant opportunities to improve our success in turning these discoveries into commercial ventures as noted in a number of recent studies (Cutler Review 2008, Grant Review 2004).

Given this, and the fact it has been more than a decade since the last strategic review of health and medical research (Wills 1998), it is timely for government as a major direct (NHMRC) and indirect (taxation incentives etc) investor to consider how to optimise the future environment for carrying out health and medical research in this country.

Among other things, this requires a clear understanding of the current investment in this sector from both the government and the private sector, including industry, non-government organisations and philanthropy. There also needs to be a sharp focus on what the Government's investment is buying and how the Commonwealth Government can get greater buy-in and involvement from business.

The Panel

The Government will establish an expert panel of prominent individuals with experience in and understanding of business, research and health service delivery to conduct an independent review of health and medical research in Australia. Panel members will have credibility among all the key stakeholder groups, relevant expert knowledge and extensive experience in advising governments.

The Panel will require access to expert advice, literature reviews and other information to inform its decision making process. The Panel is encouraged to consider the establishment of reference groups in particular areas of interest, including a reference group of relevant international figures to inform the Panel on international best practice in relevant areas. The panel will receive secretariat support through the Department of Health and Ageing.

Matters for Review

The review will take into account broader Government policy, including the Government's fiscal strategy, and will focus on optimising Australia's capacity to produce world class health and medical research to 2020, including with reference to the following matters:

1. The need for Australia to build and retain internationally competitive capacity across the research spectrum, from discovery research through to translation.
 - Examine Blue Skies research as the portal to future health needs; being able to expand existing disciplines and open new ones, without which there is inertia and inevitable decline.
 - Examine the need for continued basic research as the foundation of practical outcomes. There needs to be an appropriate proportion of fundamental research and priority driven research.
 - Examine the balance of the current workforce across all disciplines of health.
 - Examine the optimal funding required until 2050.
 - Examine the optimal environment for a sustainable, vibrant, flexible and world-class health and medical research workforce.
2. Current expenditure on, and support for, health and medical research in Australia by governments, industry, non-government organisations and philanthropy; including relevant comparisons internationally.
 - Examine the economic and health benefits of investment in health and medical research.
3. Opportunities to leverage additional investment and support for health and medical research in Australia through private sector support and philanthropy, and opportunities for more efficient use and administration of existing expenditure; again, including relevant comparisons internationally.
 - Examine pegging funding to the NHMRC MREF as a percentage of the Federal Health budget.

- Examine pegging funding to the NHMRC MREF as a percentage of the States' and Territories' health budgets.
 - Value added benefits from an Asia Pacific Health and Medical Research Funding Union (APHMRFU).
4. The relationship between business and the research sector, including opportunities to improve Australia's capacity to capitalise on its investment in health and medical research through commercialisation.
 - RISKS, funding at an early stage, committees, policy (patents/ownership/intellectual property)
 5. Likely future developments in health and medical research, both in Australia and internationally.
 6. Strategies to ensure Australia has the research workforce capable of meeting future challenges and opportunities.
 - Examine the quality of current secondary and tertiary education in science and maths.
 - Examine the current and future curriculum needs of the HMR workforce.
 - Examine the barriers in attracting science and maths teachers.
 - Examine why science and maths students are not continuing on a path to medical research.
 - Examine the ongoing education and career structures provided by the relevant funding agencies.
 - Examine the needs of the current and projected future workforce across all disciplines of health.
 - Examine the gender gap in the HMR workforce.
 - Examine the optimal balance of numbers and funding required until 2050.
 - Examine the optimal environment for a sustainable workforce, including recognition of the need for appropriate carers' leave and flexible return-to-work arrangements.
 7. The Commonwealth's principal approach to funding health and medical research through the NHMRC compared to relevant international jurisdictions, including governance and structural issues

Examine the linkage of direct and indirect costs of doing research
 Examine the peer review system

8. Opportunities to improve collaboration in health and medical research and the translation of research outcomes into improved health policies and practices within and between Australia's research and clinical sectors as well as other sectors relevant to public health; again including relevant comparisons internationally and opportunities for enhanced international collaboration.

- Examine the requirement for fundamental research and priority driven research.
 - Examine apparent lack of funding for clinical research.
 - Examine the culture between clinicians and researchers to expedite translation.
 - Examine the opportunities for ongoing professional training for clinicians and researchers.
9. Ways in which the broader health reform process can be leveraged to improve research and translation opportunities in preventative health and in the primary, aged and acute care sectors, including through expanded clinical networks, as well as ways in which research can contribute to the optimal implementation of these health reforms.
- Examine the risks to Australia of a short term approach for HMR in view of the predictions of the 2010 Intergenerational Report.
 - Examine what is required for a cohesive health policy, particularly communication between: state and federal health policies and federal departments; Departments of Health, Education, Science and Industry.
10. Ways in which health and medical research interacts, and should interact, with other Government health policies and programs; including health technology assessments and the pharmaceutical and medical services assessment process.
- Examine the disconnect between funding agencies to enable integration, co-operation and transparency.
11. Ways in which the Commonwealth's e-health reforms can be leveraged to improve research and translation opportunities, including through data linkage.
12. The degree of alignment between Australia's health and medical research activities and the determinants of good health, the nation's burden of disease profile and national health priorities.
13. Opportunities for Australia's health and medical research activities to assist in combating some of the major barriers to improved health globally, especially in the developing world.
- Make reference to the health gap between indigenous and non-indigenous Australians.

Timeframes

The Government intends to announce the Review Panel and its Terms of Reference by the end of July 2011 and for a final report to be received from the panel by 31 August 2012.