ASMR welcomes the Strategic Review of Health and Medical Research in Australia to provide a catalyst for developing and implementing strategic plans for our nation's Health and Medical Research Sector. Our responses to each of the consultation paper summary themes are provided below.

I. Embed Research in the Health System

ASMR agrees that "research must become integral to, and embedded in, the health system". In line with this proposal by the panel, ASMR's submission¹ provided health and economic justification for pegging Federal investment in the NHMRC to 3% of the total annual Federal Government health expenditure by 2022 (i.e. \$6.1bn of \$216bn). Importantly, this evidence-based approach for mitigating the future health and economic challenges facing Australia is further supported by two ASMR-commissioned Deloitte Access Economics reports²,³.

ASMR believes that the most important aspect of the proposed strategic plan is the vision for increased, structured and sustainable investment in Australia's Health & Medical Research (HMR) sector. Accordingly, we believe the panel's report must accurately compare the level of total Government (Federal, State and Territory) HMR investment at its current proportion of health expenditure versus the level of investment under the proposed changes in the Strategic Review paper. Whilst ASMR acknowledges the global economic instability, and the Federal Government's ambition to return the economy to surplus, responsible leadership demands not only efficient use of existing funding but crucially, increased investment in the sector. We urge consideration of ASMR's evidence-based plan for increased NHMRC investment for mitigating the escalating and unsustainable health and economic challenges facing Australia^{2,3}. Furthermore, we feel the Strategic Review should aim to provide a more detailed timeline for additional Government contributions to the HMR sector.

We applaud the recommendation to establish integrated health research centres. However, the number of centres proposed by the panel (i.e. 10-20) should be justified based on future projections of Australia's HMR workforce, as well as the source and level of Federal Government investment. In addition, ASMR supports recommendation to promote research participation by health professionals. However, we believe it would be more appropriate to propose a proportional increase rather than an absolute number (i.e. around 1000), unless that number is well qualified.

The consultation paper summary does not detail the restructuring of NHMRC leadership and governance in sufficient detail for ASMR to make a fully informed response. However, the NHMRC has an established track record over the past decade for generating metric-based outcomes from HMR investment into the NHMRC, and this has provided a resource for three of ASMR's Deloitte Access Economics reports²⁻⁴. This proven track record demonstrates that NHMRC has the capacity to monitor Federal Government funding, but monitoring of all HMR in Australia will require the development of a national monitoring system (i.e. eResearch) linked to eHealth, as proposed in ASMR's submission¹. We are surprised that the review panel would consider changing the name of the NHMRC, given its 75 year history and the many roles that NHMRC undertakes in addition to grant administration, such as the development and maintenance of public and individual health standards.

ASMR supports processes that aim to streamline the efficiencies of clinical trials, including strategies that have the potential to improve human research ethics committees. Given that animal models are also important pre-clinical tools, the panel should also consider the potential role of national animal ethics committees and consistency of application processes for improving biomedical research productivity.

II. Set and Support Research Priorities

It is difficult to comment on the limited information provided in this section of the consultation review summary. The proposed percentage (i.e. 10-15%) of the NHMRC MREA to be spent on national research priorities should be justified and evidence-based. Nonetheless, ASMR acknowledges the need for aligning priority setting processes and supporting strategic priorities, as these will become increasingly important as the effects of the aging population, global warming and chronic diseases reach their projected levels in the coming decades. In addition, Australia's health and medical research sector also needs to be in a position of preparedness to respond to health issues, most notably epidemics and pandemics, which have potential major health implications. Importantly, the effectiveness of national priority research, including Indigenous health, needs to be closely and regularly audited.

III. Maintain Research Excellence

ASMR supports those recommendations which improve the career paths and stability of the HMR workforce, including simplification and harmonising of IT platforms (i.e. between NHMRC and ARC) as well as longer duration research grants. However, the proportion of 5 year grants needs to be clarified. In addition, the proposed triaging of grant applications needs to be justified and described in detail. For example, is this an approach to reduce NHMRC expenses (relatively small) or to save peer review time?

Whilst we applaud the increased number of training and career fellowships in the fields of genomics, bioinformatics, health economics, biostatistics and health services research, there also needs to be an increase in the number of mid to senior fellowships and getting the right proportion is critical. It would be irresponsible to generate a workforce pyramid that leads to high attrition of our mid and senior researchers.

IV. Enhance Non-commercial Pathway to Impact

ASMR agrees with the brief and over-arching statements on enhancing public health research and health system research, as well as informing policy with evidence-based research. In addition, accelerating health system innovation would benefit from linking government and the private, commercial and scientific sectors.

V. Enhance Commercial Pathway to Impact

ASMR supports those approaches that increase the economic benefits from HMR together with improving the health and well-being of Australians. Maintaining HMR access to ARC linkage grants is important, as many current medical devices and treatments were only enabled by the basic science/technology discoveries, as generated through ARC-funded research. In addition, ASMR supports those approaches to strengthen the culture of commercialisation in the Australian HMR

sector. A major source of Australian HMR funding (≈26%) comes from the commercial sector. Accordingly, stimulating industry to further invest in HMR (i.e. Tax incentives for industry and commercial partners) should therefore be a major goal for Government to achieve sustained and appropriate funding of the HMR sector.

VI. Attract Philanthropy

Philanthropic investment plays an important part not only in building capacity but in securing greater investment in Australian HMR. ASMR supports those approaches to maximise philanthropic investment, such as tax incentives for philanthropists, which are invested in HMR priorities.

VII. Invest and Implement

To maintain the long-term benefits of investment in HMR, the sector needs a sustainable funding mechanism to be implemented immediately². ASMR agrees that the NHMRC MREA should be indexed to increases in Australia's health expenditure^{2,3}. As an evidence-based response for mitigating escalating health costs, the ASMR's specific request is to lift NHMRC investment to 1.0% of total health expenditure as soon as possible, and increasing this value by 0.2% annually to reach 3% in 10 years from now¹. This increased investment has an extrapolated \$25.9 billion saving to the Australian economy for the period 2012-63².

References

- 1. ASMR submission to the McKeon strategic review of health and medical research in Australia http://www.asmr.org.au/Submissions.html
- 2. Deloitte Access Economics, 2012. Extrapolated returns on investment in NHMRC medical research. http://www.asmr.org.au/Publications.html
- 3. Deloitte Access Economics, 2011. Returns on NHMRC funded Research and Development. http://www.asmr.org.au/Publications.html
- 4. Deloitte Access Economics, 2012. Australian health insurance: extrapolated savings from health and medical research. http://www.asmr.org.au/Publications.html