



Australian Academy
of Health and
Medical Sciences

2024-25 Pre-budget submission

FROM THE AUSTRALIAN ACADEMY OF HEALTH AND MEDICAL
SCIENCES

JANUARY 2024

The Australian Academy of Health and Medical Sciences

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Summary

The Australian Academy of Health and Medical Sciences (AAHMS) is Australia's Learned Academy for health and medicine – the impartial, authoritative, cross-sector voice. We advance research and innovation in Australia to improve everyone's health.

We are an independent, interdisciplinary body of Fellows – elected by peers for outstanding achievements and exceptional contributions to health and medical science in Australia. Collectively, AAHMS Fellows are a representative and independent voice, through which we engage with the community, industry and governments.

AAHMS welcomes the opportunity to contribute to the Australian Government's considerations for the 2024-25 Federal Budget.

Maximising the value of health and medical research investments

At a time of economic uncertainty, it is vital that Australia maximises the value of its health spending and the efficiency of its research-to-health outcome pipeline.¹ The Australian Government can pursue this through investments that target existing policy measures with the greatest potential benefit to the economy and society.ⁱ

AAHMS welcomes the Government's investment – through the Department of Health and Aged Care (DoHAC) – in developing a national health and medical research strategy (Strategy). Health and medical research and innovation are essential to improving health outcomes for Australian communities, and the Strategy has the potential to drive and maximise these outcomes. However, for its potential benefits to be realised, the implementation of the Strategy will require adequate, targeted and sustained funding. The 2024-25 Federal Budget is an excellent opportunity for the Government to invest in measures that will allow it to capitalise on its upcoming Strategy and ensure that the benefits can be felt by all Australians – ultimately leading to better health and economic outcomes.¹ Through our previous policy work, the Academy has identified the following areas in which the Government could strategically invest to advance its existing commitments and reap the greatest benefits:

- 1. The Australian Government, through the Department of Health and Aged Care, should establish an inclusive, continuing mechanism that is empowered to develop and implement strategies for embedding research and innovation as core functions of the health system. An Alliance for transforming health through research would bring together key partners to work collectively towards this aim.**
- 2. The Australian Government should develop a national strategy and implementation plan for sustainably building a world-class clinician researcher workforce. This should include a formal, cost-effective and harmonised clinician researcher training and**

ⁱ The Academy published a report in October 2022 that outlines how Australia can benefit more from its spending on health.⁶ This report identifies several measures the Government can take that involve minimal investment but establish a health system equipped to deal with future health challenges and the rising costs of healthcare.

career pathway that should be developed in partnership with state and territory health departments.

3. **The Australian Government should increase the National Health and Medical Research Council's (NHMRC) funding beyond indexation over the next five years to offset the real terms decrease that it has seen to its funding since 2010.**
4. **The Australian Government should continue to invest in nurturing and supporting Australia's early- and mid-career researchers, who represent the future of Australian health and medical research innovation.**

AAHMS is very supportive of the Labor Party's 2021 commitment to raise Australia's gross expenditure on research and development (GERD) to 3%.² Investing in research and innovation drives economic growth, boosts productivity and creates high value jobs.³ The priorities identified above can help move Australia towards 3% GERD while simultaneously growing the impact of its investment by building healthier communities.

Health investment for the future

Health investment beyond health and medical research and innovation should also target areas with the potential for the greatest long-term impact to health, society and the economy. AAHMS takes this opportunity to highlight two examples of areas where strategic investment through the Budget could lead to substantial returns: prevention and mental health. Funding for measures in these areas could significantly reduce Australia's overall health burden from chronic disease and mental ill-health, which currently contribute to growing challenges experienced nationally.

Maximising the value of health and medical research investments

Research and innovation as core functions of the health system

- 1. The Australian Government, through the Department of Health and Aged Care, should establish an inclusive, continuing mechanism that is empowered to develop and implement strategies for embedding research and innovation as core functions of the health system. An Alliance for transforming health through research would bring together key partners to work collectively towards this aim.**

Australia's health system is world-class, but it is facing long term challenges such as chronic diseases, mental health and COVID-19, as well as service pressures across health and aged care. A combination of these and other factors have increased the cost of delivering and maintaining a quality, safe and affordable health system for all. During 2021-22, Australia spent 10.5% of GDP on health, and the OECD projects that this will rise to 13% by 2030.^{4,5}

International evidence shows that research-rich health environments are better for patients and staff.⁶ By embedding research and innovation at the heart of our health system, we can get more out of it and improve outcomes for the Australian community. By doing so we can:

- Build a future-proof system that delivers cutting-edge care.
- Fast track Australia's efforts to rise to our health challenges.
- Help manage cost pressures on the health system.
- Maximise the efficient use of existing resources.

Global and domestic economic uncertainties necessitate that Australia tackles these challenges with focused and impactful solutions that maximise existing investments and build on our national strengths. As AAHMS has previous outlined, these solutions should include improved harmonisation between the diverse stakeholders involved in delivering a research-rich health system – and our recommendations in this regard were based on broad input from more than 260 individuals from across the community and sectors, including consumers.^{6,7} At present there is no mechanism for healthcare providers and professionals; federal, state and territory governments; researchers, industry, consumers and other stakeholders to collaboratively embed research and innovation across the health system. However, we know that these groups want to work together more closely.⁶ An Alliance for transforming health through research and innovation could provide a mechanism for these stakeholders to advance their mutual goals in this area. By investing to establish an Alliance, the Australian Government could see substantial gains at a low cost that would directly benefit the Australian public.

The clinician researcher workforce

- 2. The Australian Government should develop a national strategy and implementation plan for sustainably building a world-class clinician researcher workforce. This should include a formal, cost-effective and harmonised clinician researcher training and career pathway that should be developed in partnership with state and territory health departments.**

Clinician researchers – including doctors, nurses, midwives and allied health professionals – are fundamental to a system that delivers the best, most up to date care; they can secure better health outcomes by driving a culture of research and innovation.⁶ Holding posts across both clinical services and research institutions, clinician researchers optimise the translation of research and work within teams to undertake and implement research that effectively targets patient needs.

However, despite the valuable contributions made by clinician researchers, we do not currently have a clear picture of how many such professionals there are in Australia, the training pathways they have taken, the settings in which they work, or their employment arrangements. These data gaps inhibit Australia’s ability to grow and nurture this vital workforce, and to reap the benefits of this group’s contribution to embedding research and innovation in the health system.

For Australia to foster an environment in which clinician researchers are supported to grow and flourish, we should be able to:

- Define the clinician researcher workforce.
- Understand what attracts individuals to enter and remain in this career path.
- Understand this cohort’s experiences and how they can be better supported.
- Provide more targeted support, based on experiences in the local context.
- Facilitate more strategic decisions about where clinician researchers are needed.

A national clinician researcher strategy and implementation plan can help achieve this and the DoHAC, working with state and territory health departments, should invest to ensure this strategy can be developed. Cutting-edge research involving clinician researchers is best achieved by integrated research teams that incorporate multidisciplinary insights and expertise. It will be important to enable a research landscape that allows these teams to flourish, thereby maximising clinician researcher impact.

The National Health and Medical Research Council

- 3. The Australian Government should increase the National Health and Medical Research Council’s (NHMRC) funding beyond indexation over the next five years to offset the real terms decrease that it has seen to its funding since 2010.**

Although the 2023-24 budget saw annual funding for research and innovation through the National Health and Medical Research Council (NHMRC) increase slightly compared to previous estimates due to indexation, however it remained below inflation. The NHMRC supports a broad range of competitive investigator-driven funding initiatives for individuals, teams and projects across the research pipeline.⁸ The breadth of activities undertaken by the NHMRC make it a critical component of Australia’s health and medical research and innovation landscape; it is the main funder of discovery and public health research, pursues numerous strategies to promote research translation into clinical practice, and supports the commercialisation of research discoveries.⁸

The NHMRC will be a crucial partner in implementing the Strategy, especially if it takes on more responsibility for delivering the Medical Research Future Fund. Funding should be

allocated commensurate with this responsibility to ensure the that benefits of the Strategy can be fully realised.

Early- and mid-career health and medical sciences researchers

- 4. The Australian Government should continue to invest in nurturing and supporting Australia's early- and mid-career researchers, who represent the future of Australian health and medical research innovation.**

Australia's early- and mid-career researchers (EMCRs) play a crucial role in our national health and medical research and innovation workforce; they contribute significantly to their research teams and represent the future of Australian health and medical research and innovation. However, EMCRs face considerable challenges, including a lack of secure employment and increasingly limited options to access grant funding. These were exacerbated by the COVID-19 pandemic, which many EMCRs report had negative effects on their mental health and productivity.⁹

Whilst AAHMS acknowledges the Government's EMCR Initiative provision of \$384.2 million over 10 years between 2022-23 and 2031-32, we recognise that the challenges faced by EMCRs still threaten the sustainability of Australia's research workforce.¹⁰ We encourage the Australian Government to continue investing to support and retain the EMCR workforce, and to do so efficiently by collaborating with EMCRs and research funders to develop their work in this area into holistic and sustainable funding solutions.

Health investment for the future

Australian communities spend more years in ill health than those in other OECD countries, demonstrating the need for strong prevention measures that equip governments and communities to understand and address chronic disease and health inequities.¹¹ We welcomed the 2023-24 Federal Budget commitment of \$53.4 million over 5 years from 2022-23 for preventative and other initiatives.¹² The 2024-25 Federal Budget should build on this by continuing to invest in measures that decrease Australians' risk of chronic disease, boost Australia's economic productivity, and reduce the burden on the healthcare system. The development of the *National Preventive Health Strategy 2021-2030* (NPHS) was a starting point for creating a strong systems-based framework for tackling preventable conditions in Australia.¹³ However, there is a significant gap between the stated intentions of the NPHS and the commitments and resources that have been placed into implementing it. A 2023 AAHMS expert roundtable on prevention identified funding as a key enabler to building a robust prevention system that ensures that Australians stay healthier for longer.

Mental health is another area which the Australian Government should prioritise for funding in its 2024-25 Federal Budget. In Australia, mental disorders are one of five health conditions that cause the greatest burden of disease alongside cancer, cardiovascular disease, musculoskeletal and neurological disorders.¹⁴ In our analysis of the 2023-24 Federal Budget, AAHMS welcomed increased support of measures targeting health inequities by providing better access to mental health care.¹² However, as we outlined in our 2023 report on innovation in mental health, when considering the burden of disease caused by mental health conditions and when compared to other leading causes of burden of disease, mental health funding remains relatively low.¹⁵

We are grateful for the contributions of our Fellows and Associate Members in developing this submission. For questions about our response, or to arrange a consultation with Fellows and Associate Members of the Academy, please contact Lanika Mylvaganam, Head of Policy (lanika.mylvaganam@ahahms.org) at the Australian Academy of Health and Medical Sciences.

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