

# Pre-Budget Submission 2024-2025

Submission from The George Institute for Global Health

January 25, 2024

## Acknowledgement of Country

The George Institute for Global Health acknowledges the traditional owners of the lands on which we work, and in particular the Gadigal people of the Eora Nation on which our Sydney office is situated. We pay our respects to Elders past, present and future.

We value and respect the ongoing connection of Aboriginal and Torres Strait Islander peoples to Country and are committed to working in partnership with communities to deliver better health outcomes.

## Overview

The George Institute is a leading independent global medical research institute with major centres in Australia, China, India and the UK, and an international network of experts and collaborators. Our mission is to improve the health of millions of people worldwide, particularly those experiencing inequity, by challenging the status quo and using innovative approaches to prevent and treat non-communicable diseases and injury.

The George Institute is focused on the global health challenges that cause the greatest loss of life, the greatest impairment of life quality and the most substantial economic burden. Through a program of research, advocacy/thought leadership, and disruptive social entrepreneurship, we are driving global impact.

Investment in health is an investment in Australia's future. The George Institute for Global Health 2024-25 Pre-Budget Submission outlines our five priorities for investment in future health and wellbeing of Australians:

1. Investing in preventive health;
2. Aboriginal and Torres Strait Islander health;
3. Implementing the National Health and Climate Strategy;
4. Research and innovation in women's health for gender equity; and
5. Increased funding for health and medical research.

Thank you for considering our submission to the Treasurer on the 2024-25 Federal Budget.

## Key budget recommendations

### 1) Preventive health: reducing chronic and diet-related disease

- Commit to fully funding the *National Preventive Health Strategy 2021-2030* and develop a detailed implementation plan for its delivery.
- Introduce a levy on manufacturers of sugar-sweetened beverages (SSBs) to encourage industry reformulation to reduce sugar content.
  - Implement a levy to increase retail prices of SSBs by 20 per cent.
  - Earmark revenue to support preventive health policies.
- Introduce regulation to restrict unhealthy food marketing to children.
  - Ensure television, radio and cinema are free from unhealthy food marketing from 6.00am to 9.30pm.
  - Prevent children from being exposed to the marketing of unhealthy foods.
- Establish the Australian Centre for Disease Control (ACDC)
  - Provide funding in the 2024-25 Budget to accelerate establishment of the ACDC and ensure that chronic and preventable disease is incorporated at the earliest opportunity.
  - Develop and publish an implementation plan setting out the timeframes for incorporating prevention and chronic disease into the ACDC.

### 2) Aboriginal and Torres Strait Islander health

- Commit to establishing an Aboriginal and Torres Strait Islander Coalition on Climate and Health, as recommended by the Lowitja Institute<sup>1</sup>, to drive community-led approaches to building climate resilience.
- Commit to full implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and provide implementation funding.
- Fund implementation of the forthcoming National Injury Prevention Strategy with a particular focus on reducing the inequitable burden of injury, and invest in NHMRC targeted calls for research on reducing injury burden among Aboriginal and Torres Strait Islander communities.
- Fund Aboriginal community-controlled organisations and communities to develop community-led climate action plans, disaster and emergency planning and relief (under Action 3.4 of the National Health and Climate Strategy).

### 3) National Health and Climate Strategy

- Develop an implementation plan in 2024 that clearly sets out the priorities and sequencing of work, supported by adequate funding over the forward estimates to achieve timely implementation of the Strategy.
- Adequately fund research on the impacts of climate change on health and healthcare, with a focus on equity.

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<sup>1</sup> Lowitja Institute, November 2023. Let's walk together, work together, we'll be stronger together The need for an Aboriginal and Torres Strait Islander Coalition on Climate and Health Policy position paper. [ClimateandHealthCoalition-Positionpaper-1.pdf \(lowitja.org.au\)](https://www.lowitja.org.au/ClimateandHealthCoalition-Positionpaper-1.pdf) accessed 25/1/24.

#### 4) Research and innovation in women's health for gender equity

- Provide specific funding for the implementation of the National Health and Medical Research Council (NHMRC) and the Medical Research Future Fund's statement on incorporating sex and gender considerations into research, including training.
- Provide funding for research that explores sex- and gender-related differences in the burden, causes and management of non-communicable diseases at different stages of the life course.
- Allocate resources to focused funding rounds for female-specific health research, to address the major knowledge gaps on non-communicable diseases in women.

#### 5) Increase funding for health and medical research

- Support Research Australia's recommendation that investment in research and development should be increased to at least 0.75% of GDP annually over the forward estimates<sup>2</sup>.
- Allocate funding to support the establishment of the National One Stop Shop and Clinical Trials Front Door.
- Support AAMRI's call for a program be established to support the full costs of MRFF-funded medical research in medical research institutes<sup>3</sup>.

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<sup>2</sup> Research Australia, December 2023. 2024-25 Pre-budget Submission. [2024-25 Pre-Budget Submission \(researchaustralia.org\)](https://www.researchaustralia.org)

<sup>3</sup> Australian Association of Medical Research Institutes (AAMRI), January 2024. Pre-budget Proposal 2024-25

## 1) Preventive health: reducing chronic and diet-related disease

Australia’s healthcare system enables citizens to enjoy world-class treatments and programs, underpinned by a robust research sector. But effective governments don’t just invest in treating health problems – they invest in preventing them, especially for the most at-risk communities. Every dollar spent on prevention leads to better outcomes and significant health-system savings. It also contributes to the economy by increasing productivity in the workforce and reducing lost productivity from ill health and disability.

The development of the National Preventive Health Strategy 2021-2030 (the Strategy) was an important milestone for the prevention of chronic disease in Australia. The George Institute for Global Health (The George Institute) joined its public health and consumer colleagues in welcoming the launch of the Strategy in December 2021.

Ahead of the 2022 Federal election, The George Institute called on all political parties to commit to developing a clear and explicit implementation plan for the National Preventive Health Strategy’s ‘Blueprint for Action’ in the first 100 days of government. To date – this has not been achieved.

The Strategy is a credible and evidence-based strategy that will, if properly funded and implemented, deliver a healthier, more equitable Australia. Australian governments, the health sector and community members have worked together to develop the strategy and continue to call for its roll out. Commitment to the goals of the Strategy, coupled with appropriate investment, is urgently needed to reverse the spiralling growth in disease burden and to help protect the health of all Australians. Nearly half of all Australians have one or more chronic condition, such as cardiovascular disease, cancer or type 2 diabetes.<sup>4</sup> Yet, Australia’s per capita expenditure on preventive health ranks in the bottom half of OECD countries.<sup>5</sup>

In her recent Mid-Term Review of the National Health Reform Agreement,<sup>6</sup> Rosemary Huxtable AO PSM noted that “care delivered outside an acute setting that can reduce the likelihood of an acute presentation or mitigate its complexity is likely to be a more efficient way of allocating funding and improve patient outcomes. This is particularly the case in an environment of an ageing population and a rise in chronic and complex conditions.”<sup>7</sup> The Huxtable report recommends that: “A renewed focus on prevention activities should be set out in the Agreement which directly addresses the rising burden of chronic disease in the community, complements the *National Preventive Health Strategy 2021-2030* and work of the Australian Centre for Disease Control and provides a shared program of action, with clear accountabilities, funding and milestones.”

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<sup>4</sup> Australian Bureau of Statistics 2018, ‘Chronic conditions’, accessed: [Chronic conditions, 2017-18 financial year | Australian Bureau of Statistics \(abs.gov.au\)](https://www.abs.gov.au/ausstats/abs@.nsf/main/4512055513111101?opendocument).

<sup>5</sup> Jackson H, Shiell A. (2017) Preventive health: How much does Australia spend and is it enough? Canberra: Foundation for Alcohol Research and Education.

<sup>6</sup> Mid-Term Review of the National Health Reform Agreement Addendum 2020-2025, Final Report Rosemary Huxtable AO PSM | 24 October 2023

<sup>7</sup> Mid-Term Review of the National Health Reform Agreement Addendum 2020-2025, Final Report Rosemary Huxtable AO PSM | 24 October 2023, p1.

**Case study: The impacts of diabetes**

Diabetes places a significant burden on the Australian health system and economy. In 2019-20, all types of diabetes cost the Australian health system \$3.1 billion, with nearly 40 per cent of these costs in hospitals. For the Australian Government, medications for diabetes dispensed through the Pharmaceutical Benefits Scheme (PBS) cost \$827 million, which is the single highest area of diabetes expenditure.

Diabetes also highlights health inequities. It is the largest contributor to the gap in life expectancy between Indigenous and non-Indigenous Australians. Aboriginal and Torres Strait Islander people are nearly five times more likely to be hospitalised for diabetes-related complications and it is the leading cause of death for Aboriginal people in the Northern Territory<sup>8</sup>.

Every Australian has the right to lead a healthy, productive and fulfilling life, free from chronic disease. As well as the individual benefits, there are system-wide gains from addressing diabetes, through reducing the pressures on our health and aged care systems. There are also significant economic benefits: in 2017, the Productivity Commission estimated that Australia's Gross Domestic Product could be increased by \$4 billion per year if population health was improved.

Australians need a healthier food environment, to curb the rising rates of diet-related chronic disease. Successive policies have failed to change behaviour and disrupt the trajectory of rising diet-related ill health in the community. Government policy needs a stronger focus on addressing the social determinants of health to reduce health inequities. Food insecurity is rising<sup>9</sup>. Access to fresh, healthy food in all areas, including outer suburban, rural, regional and remote areas, should be prioritised. The George Institute is currently leading a program that incorporates the prescribing of healthy foods or meals in the same way that doctors prescribe drugs. When implemented over an initial 12week period, a produce prescription program was related to substantial improvements in diet quality, reduced food insecurity, weight loss and improvements to blood lipid profile<sup>10</sup>. Based on these initial findings, The George Institute is currently progressing two Food is Medicine randomised controlled trials among individuals with type 2 diabetes and assessing the health impact and cost-effectiveness of these approaches.

There has been little use of fiscal measures in Australia to produce a healthier food environment. This contrasts with tobacco and alcohol control, where increased taxation measures have led to substantial public health improvements, and with the use of fiscal policies in other countries to create healthier food environments. The George Institute recommends that the Government introduce a sugar-sweetened beverage levy that would form part of the existing excise tax framework for fuel, alcohol, and tobacco. In the UK, a Soft Drinks Industry Levy with a tiered tax structure has led to successful reformulation of sugary drinks, showing a 10% reduction in the amount of sugar in drinks without an overall

<sup>8</sup> Diabetes Australia, 2022. Change the Future: Reducing the Impact of the Diabetes Epidemic, pp7-24.

<sup>9</sup> Kelly, C, 2023. Australia in 'the midst of a food security crisis' as 3.7m households struggle to buy enough to eat, 23/10/2023, Guardian Australia <https://www.theguardian.com/australia-news/2023/oct/23/australia-in-the-midst-of-a-food-security-crisis-as-37m-households-struggle-to-buy-enough-to-eat>. Accessed 25/1/24.

<sup>10</sup> Wu, J.H.Y., Trieu, K., Coyle, D., Huang, L., Wijesuriya, N., Nallaiah, K., Lung, T., Di Tanna, G.L., Zheng, M., Mozaffarian, D., MacMillan, F., Simmons, D., Wu, T., Twigg, S., Gauld, A., Constantino, M., McGill, M., Wong, J., and Neal, B. 2022. Testing the Feasibility and Dietary Impact of a Produce Prescription" Program for Adults with Undermanaged Type 2 Diabetes and Food Insecurity in Australia. *The Journal of Nutrition*, **152** (11), 2409-2418. <https://doi.org.1093/jn/nxac152>.

decline in soft drink sales.<sup>11</sup> This demonstrates a public health benefit without impacting industry.

Stronger legislative action is needed to protect children from unhealthy food advertising. Recent research from The George Institute has shown that there is also widespread, unregulated use of promotional techniques that appeal to children – such as the use of cartoon characters – on ultra-processed foods of low nutritional value.<sup>12</sup> This practice is banned in countries where stricter food marketing rules have positively impacted children's diets.<sup>13</sup>

The George Institute joins our public health and consumer colleagues in welcoming the announcement in April 2022 of the establishment of an Australian Centre for Disease Control (ACDC). With adequate funding and support, the ACDC has the potential to provide the Australian public with clear and transparent health advice and equip policy makers with up-to-date, evidence-based guidance on new and emerging local and global health threats.

We are pleased to see the interim Australian Centre for Disease Control has been established within the Department of Health; however, the Centre will need a significant lift in funding to fulfil its mission. We urge the Government to provide adequate funding to establish and operate the Centre, and integrate prevention within it at the earliest opportunity.

**The George Institute recommends that the 2024-25 budget should:**

- Fully fund the *National Preventive Health Strategy 2021-2030* and develop a detailed implementation plan for its delivery.
- Introduce a levy on manufacturers of sugar-sweetened beverages (SSBs) to encourage industry reformulation to reduce sugar content.
- Introduce regulation to restrict unhealthy food marketing to children.
- Establish and fully fund the Australian Centre for Disease Control, with prevention and chronic disease as priorities.

## 2) Aboriginal and Torres Strait Islander health

Aboriginal and Torres Strait Islander people have an enduring humanity as evidenced through living and thriving for over 60,000 years. Colonisation of Australia however has had a drastic and ongoing impact on the oldest, continuous living culture in the world.

There is a disproportionate and inequitable toll that Aboriginal and Torres Strait Islander peoples face from climate change and intensification of colonisation. This toll includes but is not limited to: threatened housing infrastructure, degradation of ecosystems, prevention of practicing cultural traditions and forced migration from Country. Thus, there is an urgency for Aboriginal and Torres Strait Islander voices to be at the heart of national and global

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<sup>11</sup> Pell, D, Mytton, O, Penney, T et al. 2021, 'Changes in soft drinks purchased by British households associated with the UK soft drinks industry levy: controlled interrupted time series analysis', *BMJ*, 254: 372, <http://dx.doi.org/10.1136/bmj.n254>.

<sup>12</sup> Jones, A. et al, 2023, 'Chocolate unicorns and smiling teddy biscuits: Analysis of the use of child-directed promotional techniques on the packages of Australian foods.' *Public Health Nutrition*, 1-12, <https://doi.org/10.1017/s136898002300215x>

<sup>13</sup> Stolze F.M. et al, 2019, 'Prevalence of Child-Directed Marketing on Breakfast Cereal Packages before and after Chile's Food Marketing Law: A Pre- and Post-Quantitative Content Analysis' 16(22):4501. doi: [10.3390/ijerph16224501](https://doi.org/10.3390/ijerph16224501).

responses as they relate to climate change. Viewing climate and health as holistic and inextricably linked is also essential to ensure that we do not perpetuate a conflict between worldviews leading to inadequate, inefficient, and poorly targeted policy.

When it comes to injury among Aboriginal and Torres Strait Islander peoples, intergenerational trauma caused by ongoing impacts of colonisation has contributed to impacts including socio-economic disadvantage, institutionalised and systemic racism, limited access to culturally appropriate services, including health and housing, disruption to culture and ongoing family removal and separation, and food and water insecurity.

An injury is not just the physical harm caused by an external event but also includes the spiritual, emotional and cultural aspects of harm. Reducing the inequitable burden of injury among Aboriginal and Torres Strait Islander peoples necessitates that injury prevention must focus not only on lives lost, reduced hospital bed days or long-term disability but also on the safety and emotional wellbeing of individuals and the community.

***Case Study: The Guunu-maana (Heal) Aboriginal and Torres Strait Islander Health Program***

The George Institute is committed to conducting meaningful and ethical research and advocacy to transform the health and wellbeing of First Nations peoples and communities. Guunu-maana is led through Aboriginal and Torres Strait Islander ways of knowing, being and doing to generate evidence that privileges Indigenous knowledges through actions that empower communities and people. Guunu-maana is conducting research into the social and cultural determinants of health and wellbeing, as well as focussing on health systems strengthening as it relates to improved health outcomes and experiences for Aboriginal and Torres Strait Islander communities.



There are many federal policies affecting Aboriginal and Torres Strait Islander peoples and communities. The George Institute advocates for fundamental principles in line with the United Nations Declaration on the Rights of Indigenous Peoples to be reflected in policy. This includes the right to determine and develop priorities and strategies, and to self-determine governance, including and respecting Indigenous knowledges, cultures and traditional practices.

Enabling First Nations leadership must be considered within a local, state, and national context to ensure that issues can be addressed at the appropriate scale. Aboriginal community-controlled health services (ACCHS) must be considered key partners in identifying issues of concern to local communities, facilitating dialogue, and developing actions and solutions.

The George Institute commends the ongoing engagement of Aboriginal and Torres Strait Islander health leaders and organisations in determining research priorities and opportunities. We encourage the NHMRC to continue to offer Aboriginal and Torres Strait Islander specific funding and targeted calls into research, and that these opportunities include recognition of the impacts of systemic racism, addressing the inequitable burden of injury among Aboriginal and Torres Strait Islander communities, and the important inclusion of Indigenous knowledges within climate and health research.

**The George Institute recommends that the 2024-25 budget should:**

- Commit to establishing an Aboriginal and Torres Strait Islander Coalition on Climate and Health, as recommended by the Lowitja Institute, to drive community-led approaches to building climate resilience.
- Commit to full implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and provide implementation funding.
- Fund implementation of the forthcoming *National Injury Prevention Strategy* with a particular focus on reducing the inequitable burden of injury, and invest in NHMRC targeted calls for research on reducing injury burden among Aboriginal and Torres Strait Islander communities.
- Fund Aboriginal community-controlled organisations and communities to develop community-led climate action plans, disaster and emergency planning and relief (under Action 3.4 of the *National Health and Climate Strategy*).

### 3) National Health and Climate Strategy

*The National Health and Climate Strategy*, released in December 2023, is a comprehensive plan for decarbonising the health system and increasing our resilience to the health impacts of climate change. However, to be effective, the Strategy needs to be appropriately resourced. It outlines a significant program of work to be delivered over the next five years. To achieve this, a detailed implementation plan needs to be rapidly developed and published that prioritises key foundational actions and sequences work appropriately. This should be completed in 2024, and funding provided in the budget to commence the highest priority actions. Some work packages will be able to be delivered simultaneously, and funding should be sufficient to allow that to occur to rapidly progress implementation of the Strategy.

For example, work on establishing consistent emissions baselines can be done concurrently with the development of vulnerability and risk assessments.

The George Institute notes that at present, only \$5 million over five years has been allocated from existing medical research funding for health and climate research. This is inadequate to conduct research to better understand the specific impacts on climate change and health, inequities that may develop or be exacerbated as a result of climate change and effects on health systems. Funding for research needs to be significantly expanded to address these areas of need. The redirection of existing medical research funding also potentially diminishes much needed research in other areas, which could have adverse outcomes.

The George Institute has a rapidly growing program of research on planetary health and the impacts of environmental change on non-communicable diseases. Mutually reinforcing environmental crises are having a significant impact on the rates and severity of non-communicable diseases, including cardiovascular and kidney diseases, mental health conditions, and injuries. The George Institute is leveraging its international expertise to build the evidence base on the impacts of environmental change on health outcomes, enabling us to develop innovative solutions to reduce and/or reverse these impacts.

For example, The George Institute has established a Global Health Research Centre on Non-Communicable Diseases and Environmental Change in India. Funded by the UK National Institutes of Health and Care Research (NIHR) to GBP 10 million over five years, in partnership with Imperial College London, the Centre is co-producing world-leading implementation research with local communities in Bangladesh, India, and Indonesia. Design is in collaboration with academics, policymakers, environmental agencies, communities, and health and medical service providers. The program of work focuses on a multi-pronged approach to strengthen primary care provision in each country and mitigate an environmental challenge in each context: air pollution in Indonesia; lack of dietary diversity in India; and water salinity in Bangladesh. A similar program should be funded in Australia to properly understand the impacts of climate change on health and how these can be mitigated to support good health and wellbeing within the community.

***Case study: Effects of extreme heat on pregnancy and newborn health***

The Institute is leading a multi-partner coalition of researchers across India and the United Kingdom to understand the effects of extreme heat on pregnancy, and influence policies to protect pregnant women across the globe. Working with communities in three sites in India (Haryana, Chhattisgarh, and Puducherry), we are capturing detailed microclimate exposure, along with a range of physiological, ultrasound, and placental markers, and using data collected in other studies to understand critical temperature thresholds in pregnancy.

**The George Institute recommends that the 2024-25 budget should:**

- Develop an implementation plan in 2024 that clearly sets out the priorities and sequencing of work, supported by adequate funding over the forward estimates to achieve timely implementation of the Strategy.
- Adequately fund research on the impacts of climate change on health and healthcare.

#### 4) Research and innovation in women's health for gender equity

The global burden of disease over recent decades has changed significantly, and non-communicable diseases are now the leading causes of death and disease for women worldwide. Conditions including heart disease, stroke, diabetes, chronic lung diseases, cancer, and mental health conditions cause nearly 19 million deaths among women globally every year<sup>14</sup>. In 2019, non-communicable diseases caused over 65 per cent of deaths among women in the South-East Asia region, and in the Western Pacific – which includes Australia and our Pacific Island neighbours – that figure is 88 per cent<sup>15</sup>. Non-communicable diseases impact women who are left exposed through persistent social, gender and economic inequalities and pervasive inequities in access to health information, access to appropriate care and life-saving technologies<sup>16</sup>.

In 2018, The George Institute established a Global Women's Health Program to promote a life-course approach to addressing the burden of non-communicable diseases and injury, as well as focussing on other important, women-specific health issues.

A critical component of this vision is addressing the data bias and blindness that exists within the health and medical research sector, and subsequently the interventions that are implemented based on these data (or lack thereof). Research has been conducted predominantly on men and by men, with significant underrepresentation of women and girls in clinical trials.

The George Institute welcomed the recent development of the NHMRC/MRFF statement on incorporating sex and gender considerations into research. While it is a positive step forward, a single policy directive will not be sufficient for a shift in research culture and practice to occur. Coordinated, sector-wide activities are needed across the evidence, translation, and implementation pipeline, starting with the development of a shared understanding of sex and gender concepts. The George Institute recommends that training be provided for both applicants and evaluators in how to develop research projects that disaggregate data by sex and gender; why it is important, how to assess grant proposals to ensure that they appropriately consider sex and gender that how it should be integrated into the research life cycle.

In 2020, The George Institute partnered with the Australian Human Rights Institute at UNSW Sydney to launch a program of work to investigate sex and gender bias in Australian medical research. It aims to work with all key groups within the medical research sector – including research funders, publishers, universities, research institutes, industry and peak bodies – to transform the way research is conducted, taught, published, assessed and translated.

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<sup>14</sup> World Health Organisation (WHO) 2023b, 'Global Health Estimates: Leading causes of death', accessed 15 September 2023, <https://www.who.int/data/gho/data/themes/mortality-and-global-health-estimates/ghe-leading-causes-of-death>.

<sup>15</sup> World Health Organisation (WHO) 2023c, 'Global Health Estimates 2019: Estimated deaths by cause and region, 2000 and 2019' accessed 20 September 2023, <https://www.who.int/data/gho/data/themes/mortality-and-global-health-estimates/ghe-leading-causes-of-death>

<sup>16</sup> Taskforce on Women and NCDs 2023, 'About Us', accessed 20 September 2023, [About us - Taskforce on Women \(taskforcewomenandncds.org\)](https://www.taskforcewomenandncds.org).

**Case study: Cardiovascular disease in women**

Cardiovascular disease has traditionally been considered a “men’s disease”, which has translated into a lack of prioritisation of CVD risk in women at a research, health policy and clinical level. The most significant research gap internationally is the lack of data on specific risk factors for women’s cardiovascular disease. This has had an impact on clinical treatment and CVD outcomes, with women demonstrating poorer in-hospital outcomes with greater complications.

**The George Institute recommends that the 2024-25 budget should:**

- Provide specific funding for the implementation of the National Health and Medical Research Council (NHMRC) and the Medical Research Future Fund’s statement on incorporating sex and gender considerations into research, including training.
- Fund research and implementation studies that explore sex- and gender-related differences in the burden, causes and management of non-communicable diseases at different stages of the life course.
- Allocate resources to focused funding rounds for female-specific health research, to address the major knowledge gaps on non-communicable diseases in women.

## 5) Increase funding for health and medical research

Australia’s health and medical research capabilities are highly regarded internationally; however public investment in health and medical research continues to fall in real terms<sup>17</sup>. While the Medical Research Future Fund is now fully capitalised and has increased to a total value of \$22 billion, it has reached the cap on annual grant funding of \$650 million. Funding for the NHMRC administered Medical Research Endowment Account and the Australian Research Council’s funds remain steady with indexation, which is below the current levels of inflation. Health and medical research funding in Australia has not had a significant increase in several years and remains below the OECD average. Gross expenditure on research and development (GERD) as a percentage of GDP in 2021-22 was 1.68% in Australia, well below the OECD average of 2.72%<sup>18</sup>. There is a widening gap, with Australia falling behind at a time when we need more innovation in health and medicine to make the next generation of medical breakthroughs. Indeed ‘supporting healthy and thriving communities’ is one of the four draft National Science and Research Priorities<sup>19</sup>. The discussion paper issued with the draft priorities listed as objectives for the healthy and thriving communities priority:

- Lead on preventive health
- Support healthy communities
- Ensure equitable access to care.

These priorities need to be embedded into the priorities of the NHMRC’s Medical Research Endowment Account and the Medical Research Future Fund, and need an uplift in funding to ensure that they are adequately funded.

<sup>17</sup> Research Australia, December 2023. 2024-25 Pre-budget Submission. [2024-25 Pre-Budget Submission \(researchaustralia.org\)](https://researchaustralia.org)

<sup>18</sup> OECD (2023), Gross domestic spending on R&D (indicator). [Research and development \(R&D\) - Gross domestic spending on R&D - OECD Data](https://data.oecd.org/research-and-development/gross-domestic-spending-on-r-d-oecd-data). Accessed 25/1/2024.

<sup>19</sup> Commonwealth of Australia 2023. Australia’s draft National Science and Research Priorities. [Australia’s draft National Science and Research Priorities \(storage.googleapis.com\)](https://storage.googleapis.com). Accessed 25/1/2024.

The George Institute has developed significant skills and expertise in conducting clinical trials, which are a key link in the medical research pipeline. We note that the Australian Government and state and territory governments have agreed to implement a National One Stop Shop and Clinical Trials Front Door<sup>20</sup>, to streamline administration and governance of clinical trials. We support this measure, and call on the Government to provide funding to support its establishment.

We also note that independent medical research institutes are ineligible for research support funding under the Medical Research Future Fund. This places significant financial pressure on independent medical research institutes to find supplementary sources of funding to meet the indirect cost of research. The George Institute calls on the Government to establish a program to support the full costs of MRFF-funded medical research in medical research institutes.

**The George Institute recommends that the 2024-25 budget should:**

- Support Research Australia's recommendation that investment in research and development should be increased to at least 0.75% of GDP annually over the forward estimates<sup>21</sup>.
- Allocate funding to support the establishment of the National One Stop Shop and Clinical Trials Front Door.
- Support AAMRI's call for a program be established to support the full costs of MRFF-funded medical research in medical research institutes<sup>22</sup>.

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<sup>20</sup> Australian Commission on Safety and Quality in Healthcare, 2023. [The National One Stop Shop - a national cross government platform for health-related human research | Australian Commission on Safety and Quality in Health Care](#). Accessed 25/1/2024.

<sup>21</sup> Research Australia, December 2023. 2024-25 Pre-budget Submission. [2024-25 Pre-Budget Submission \(researchaustralia.org\)](#)

<sup>22</sup> Australian Association of Medical Research Institutes (AAMRI), January 2024. Pre-budget Proposal 2024-25