



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**Federation Chamber**

**PRIVATE MEMBERS' BUSINESS**

**Government Investment in Research**

**SPEECH**

**Monday, 29 October 2012**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Questioner**  
**Speaker** O'Dwyer, Kelly, MP

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**Responder**  
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**Ms O'DWYER** (Higgins) (11:05): I rise to second this excellent motion and concur with what my colleague from Melbourne has said in his speech. In this country we have three choices. First, we can provide the right research framework that will encourage talented researchers and innovators who are home-grown, as well as those from overseas, to work in Australia delivering economic benefits for Australia and better healthcare for Australians. Second, we can bury our heads in the sand and pretend that we do not need a plan or additional funding to keep the research sector punching above its weight and globally competitive. Or, third, we can threaten to cut funding to the health and medical research sector on a regular basis, creating uncertainty and insecurity for jobs in the investment; we can play games with existing funding by freezing and unfreezing funding for such things as the NHMRC grants; we can add layer upon layer of additional red tape to the already significant regulatory burden, as evidenced by the increased time and money required to implement a clinical trial in Australia. Sadly, the government has taken the third approach.

Research, and in particular health and medical research, is, as the McKeon consultation paper so accurately puts it:

... vital to support innovation, performance improvement, and curtail escalating healthcare costs.

This consultation paper goes on to point out that the economic benefits also flow from:

... productivity gains that accrue from having healthier people in the workforce and community, and wealth creation from research commercialisation and associated employment.

The coalition understands the importance of this. There was a fivefold increase in funding committed to health and medical research under the previous coalition government.

According to the Association of Australian Medical Research Institutes we are currently ranked as one of the top countries in the world in biomedical research, producing three per cent of the world's published research, but this is all now at risk. At a time when the McKeon consultation paper states that within the next 10 years we ought to be investing \$2 billion to \$3 billion more per annum in research, the government has just ripped an additional \$1 billion out of research and university funding. I would like to quote from one university, which has written to me and said:

The effects for the university sector however are alarming as the reduction in money available for research will have downstream effects on our campus, which is an integrated health research precinct consisting of a hospital, a medical research institute and a university department—all working together to improve health outcomes for children.

In addition, we rely heavily on research higher degree students and the reduction of funding to students will be detrimental to the research outcomes of our campus. We are very concerned about how this reduction in funding for research will play out, especially in light of the recent McKeon review calling for a massive increase in health and medical research funding.

I have also received correspondence from other research institutes and medical research bodies and I quote from another:

We are concerned that the \$1 billion cuts to projected research and university funding announced by the Australian government in the mid-year economic and fiscal outlook statement will affect the maintenance of the excellent standards of medical research in Australia.

This is just a small sample.

Addressing the Australian Innovation Festival, the Prime Minister talked up innovation as being one of the keys to increasing productivity, sustaining our international competitiveness and improving our standard of living. I agree with her on this. She went on to say:

The tertiary education system has a central role in the Australian innovation system; Universities, the CSIRO and Cooperative Research Centres have a dual function of knowledge creation through research, and knowledge diffusion through teaching or consulting to business.

The question then has to be asked: why has the Prime Minister ripped out \$1 billion from universities in the latest MYEFO update?

How does the Prime Minister reconcile her actions with her words? Without medical research, we would not have such lifesaving innovations as penicillin, first used as a medicine by the Australian Nobel Laureate Howard Walter Florey. Nor would we have the bionic ear, the cervical cancer vaccine or spray-on skin for burns—just to name a few.

It is a shame that this motion was not able to be brought before the House prior to last week, prior to the release of MYEFO, prior to the \$1 billion of cuts that this government has announced to try and paper over the economic incompetence that has led to over \$150 billion in net debt.

Medical health and research, and Australians for generations to come, should not have to pay the price for such incompetence. Research is critical to our future in this country; it is critical to innovation. In Victoria, we are very fortunate to have such a hub of institutes focused on doing this important research, and that needs to continue.