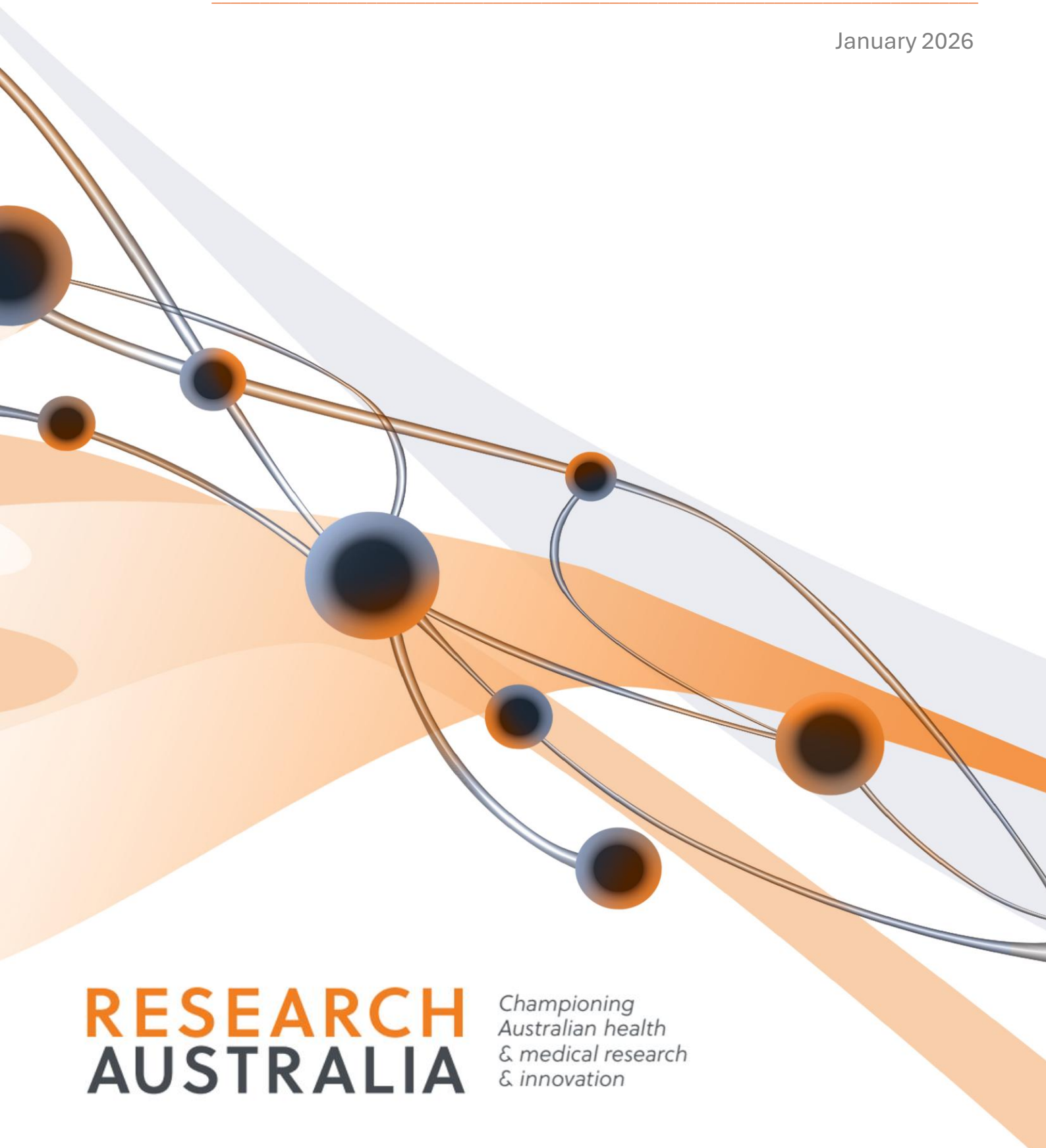
Pre-Budget Submission 2026-2027

Research Australia Submission

January 2026



RESEARCH AUSTRALIA

Championing Australian health & medical research & innovation

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Introduction

Research Australia, as the national health and medical research and innovation peak, is pleased to have the opportunity to make this Pre-Budget Submission ahead of the 2026-27 Federal Budget.

The upcoming Budget presents a unique opportunity to commit the critical strategic investments needed for the future health and wealth of the nation. The rising chronic disease burden, ongoing inequities in access to healthcare and health outcomes, and lack of economic diversification are but a few of the key challenges which threaten fiscal sustainability, productivity and the entrenchment of disadvantage across generations. Government must act boldly and decisively to reimagine the role of public investment in health and medical research and innovation as a catalyst to deliver long-term and equitable social, economic and productivity dividends.

A high-functioning health and medical research and innovation sector is uniquely placed as a foundational, economically generative and cross-cutting solution to the confluence of national challenges currently facing our nation. A mission-oriented approach particularly positions health and medical research and innovation not as discretionary spending, but as strategic public investment that shapes markets and accelerates discovery through to translation towards clearly defined societal goals. Priorities such as advancing national health and resilience, achieving equitable outcomes, and building prosperity and productivity all directly aligns with the National Science and Research Priorities, as well as government's broader policy agenda, and centres the need for bold and targeted government-led investment in health and medical research and innovation to achieve outcomes. This is not an optional prerequisite – it is a critical engine to achieving a future-ready, prosperous and thriving Australia.

Multiple analyses, including a 2025 study undertaken by Research Australia, demonstrates how $1 invested in health and medical research generates around $4 back to the Australian economy[1] [2]. From the prevention and mitigation of disease to reduced burden on health systems, innovation and job creation in emerging industries and increased workforce participation – this represents not simply a return on investment, but a multiplier for opportunity, productivity, equity and intergenerational fairness.

The sector underpins the prosperity and productivity of the Australian economy and health of the population within it, yet we are seeing multiple indicators that investment is not keeping up. Australian gross expenditure on R&D (GERD) as a percentage of GDP has been in a state of decline over the past decade – 1.69% in 2023-24 compared to 1.88% in 2015-16[3]. Looking beyond domestic comparisons, Australian government R&D investment is at an historic low, flagging behind the OECD average by $1.8 billion per annum[4]. If Australia is to remain world-leading, we need to stop overlooking the signs of chronic underinvestment and fund the research, workforce, systems and infrastructure which enable growth, prosperity and equity.

We stand at a critical juncture following the progression of some of the most significant structural reforms our sector has seen in decades – namely the National Health and Medical Research Strategy and Strategic Examination of Research and Development. With these foundations in place, we must now commit the urgent, strategic **investment** required to guide

the future direction of the health and medical research and innovation sector and, by extension, the nation's health and wealth. For this reason, this Pre-Budget Submission is structured to respond to the National Health and Medical Research Strategy.

This Pre-Budget Submission has been developed drawing on our evidence-based previous submissions, the contribution of our members and broader input. Research Australia's unique convening power across the entire health and medical research and innovation system positions us as trusted, neutral partners to government and we remain committed to realising the potential of the sector for the benefit of the health, wealth and productivity of Australia.

Summary of recommendations

Theme	Key recommendations	RA's pre-budget advocacy since[1]	Page
Deliver and resource the National Health and Medical Research Strategy as the system backbone	• The National Health and Medical Research Strategy must be fully funded and underpinned by a monitoring and evaluation framework with clear metrics to evaluate and justify the funding. • Funds allocated to the National Strategy's Focus Areas and Enabling Initiatives must be strategically deployed to establish it as the system backbone of the sector, supported by clear and measurable outcomes.	2021	9
Funding – Enabling Initiative	• Remove the 2021 legislative cap that limits Medical Research Future Fund expenditure to increase the amount of funding available from $650m in-line with the Future Fund Board of Guardian's determinations ($1.1 billion in 2026-27).	2022	9
	• Commit to ongoing annual funding increases for the National Health and Medical Research Council. At a minimum, increases must be in line with the CPI-rate and also include the projected circa. 2% increases outlined in the Budget forward estimates. • Allocate additional funding for discovery research through the Australian Research Council and National Health and Medical Research Council to reverse the decline of investment in the sector.	2016	
	• Allocate equitable funding across research programs, including the NHMRC and MRFF, to address health equity and systemic discrimination for priority populations.	2025	
	• Define a pathway to fund the full costs of research, including infrastructure, in a rational and sustainable way.	2016	

[1] As the national peak we have raised these priorities previously in pre-budget submissions and they remain priorities for the sector.

	• Urgently establish a measurable path to R&D investment of 3% of GDP by 2036, in line with the horizon of the National Health and Medical Research Strategy.	**2024**	
Workforce – Enabling Initiative	• Increase the accessibility and availability of grants which run for 5 years or longer to grow the number of longer-term and permanent research positions.	**2025**	11
	• Fund a Health and Medical Research and Innovation Workforce Committee or Taskforce to co-develop, oversee and coordinate the Health and Medical Research Workforce Plan.	**2022**	
	• Undertake a comprehensive annual Health and Medical Research and Innovation Workforce Data Collection to ensure ongoing monitoring and evaluation of workforce trends.	**2022**	
	• Fund the implementation of a bi-annual National Early- and Mid-Career Academic / Researcher Survey.	**2022**	
	• Invest in the implementation of a Consumer Recognition Framework to recognise the contributions of lived experience researchers in health and medical research and innovation.	**2025**	
	• Allocate funding for dedicated pathways to increase representation within the health and medical research and innovation workforce across all priority populations, from early- and mid-career researchers through to leadership roles.	**2025**	
	• Set up and centrally fund national programs for early- and mid-career researchers to increase professional development, networks and mentorship opportunities, as well as facilitate secondments within industry to build commercial acumen, foster stronger ties between research and industry and enhance translational opportunities.	**2023**	
	• Commit $3.5 million per annum over 5 years ($17.5m) to pilot a new Clinician Researcher Fellowship Scheme.	**2024**	
Data – Enabling Initiative	• Fund a Secretariat to work in partnership with government to progress data governance, infrastructure and standards to enable the efficient, secure and ethical use and sharing of Australia's health and medical research data.	**2025**	12

	• Resource the development, and commit funds to the implementation, of a unified National Health and Medical Data Infrastructure Strategy, which builds on nation-wide mapping of data and digital assets.	**2025**	
	• Create dedicated training pathways to develop data science and health economics capabilities across the sector, including in the Australian Public Service.	**2025**	
Infrastructure – Enabling Initiative	• Commit to ongoing funding for the National Collaborative Research Infrastructure Strategy and address the projected decline in funding in the Budget Forward Estimates.	**2024**	13
	• Invest in infrastructure to support the access, use and linkage of electronic health records within a coordinated data governance framework.	**2025**	
	• Fund the development of a national biobanking infrastructure to address duplications and identify and implement strategies to reduce current gaps.	**2025**	
	• Establish a clinical data infrastructure pilot to fund primary care and health systems to build and maintain core data infrastructure for research purposes, embedding capability where data is generated and enabling system-wide learning.	**2025**	
Build a vibrant research system that delivers for the nation	• Commit $1.5 billion over five years to the National Prevention and Early Intervention Fund to increase funding for prevention and advance government's commitment to spending 5% of the health budget on it by 2030.	**2024**	14
	• Boost investment in humanities research to advance understanding of the social, cultural, commercial and other determinants of health.	**2024**	
Embed research processes that are modern, efficient and consumer centred	• Expedite investment in supports for clinician researchers, as outlined in the 'Workforce – Enabling Initiative' sub-section, as critical partners in research translation within health systems.	**2024**	15
	• Reverse the sharp decline in health services research funding via the National Health and Medical Research Council and ensure long-term strategic investment in the discipline.	**2024**	

	• Fully fund and implement the recommendations of the Research Australia Women's Health Research Roadmap.	2025	
	• Fully fund and implement the recommendations set out in Research Australia's Regional, Rural, Remote and Very Remote, Policy Discussion Paper.	2025	
Accelerate research and its translation to improve Aboriginal and Torres Strait Islander peoples' health and wellbeing	• Direct further investment towards Aboriginal Community-Controlled Organisations to grow the number of Indigenous-led research-active organisations. • Fund permanent research coordination and support positions within Aboriginal Community-Controlled Organisations to manage approvals, funding applications, and reporting. • Provide dedicated research infrastructure funding for Aboriginal Community-Controlled Organisations and include budgets in research grants for staff time, data extraction, administrative tasks, and use of facilities, vehicles, and accommodation. • Fund meaningful community engagement and co-design and allocate specific resources for ongoing community involvement, co-design, and knowledge translation.	2025	16
Drive impact through research translation, innovation and commercial solutions	• Allocate additional funding to the National Health and Medical Research Council/Medical Research Future Fund to trial novel co-investment models e.g. a Tripartite Health and Medical Research Fund with equal contributions from government-industry-philanthropy.	2025	16
	• Create an Australian equivalent to the US Biomedical Advanced Research and Development Authority, the UK's Advanced Research and Invention Agency, and the EU's Health Emergency Preparedness and Response Authority tasked with financing late-stage medical countermeasure development.	2021	
	• Invest in streamlined IP support, including specialised staff, to help researchers and businesses navigate and protect IP rights.	2025	
	• Invest in industry PhDs, postdocs, and internships based on previous programs, such as the Researcher Exchange and Development within Industry program.	2025	
	• Invest in end-to-end support models to assist researchers and industry to navigate the full PBS listing pathway in order to streamline commercialisation.	2025	

	• Allocate funding for the full implementation of the 50 recommendations from the HTA Review, beyond the current $5.3 million allocated in the Mid-Year Economic and Fiscal Outlook as required.	2024	
Position to be ready for future needs and challenges	• Confirm ongoing and sustained investment in the National Collaborative Research Infrastructure Strategy to ensure capability and infrastructure development in new and emerging advanced technologies.	2024	17
	• Invest in upskilling, circular mobility and training for the National Research Infrastructure workforce to increase understanding of advanced technology application.	2025	
	• Allocate new funding for the membership fee of Horizon Europe, ensuring it does not detract from other portfolio budgets and progress investment in other global and regional research collaborations and international science diplomacy.	2024	

Deliver and resource the National Health and Medical Research Strategy as the system backbone

The National Health and Medical Research Strategy (National Strategy), currently in finalisation, offers a once-in-a-generation opportunity to reform and reimagine the entire system, laying the foundations for Australia's future national prosperity and the productivity of the nation, driven by health and medical research and innovation. Since 2021, Research Australia has strongly advocated for the development of the National Strategy, and we remain committed to supporting its success as we turn to the critical implementation of reforms. The National Strategy, alongside the Strategic Examination of Research and Development (SERD), 2026 National Research Infrastructure (NRI) Roadmap and other reforms currently underway, are the fundamental building blocks to deliver a strong, equity-driven and high-functioning health and medical research and innovation sector.

An immediate priority for the 2026-27 Federal Budget must therefore be the full funding of the National Strategy, including all Focus Areas and Enabling Initiatives, to establish it as the system backbone for the sector. Australia's current research landscape is hampered by fragmentation and structural gaps that amplify inequities and limit translation, commercialisation and innovation. The National Strategy provides the architecture to remedy these issues, therefore funding its implementation is not an optional enhancement but an essential national reform. A dedicated, multi-year implementation commitment supported by the proposed National Strategy Advisory Council, as well as ongoing horizon scanning and a monitoring and evaluation framework is therefore key and should inform the investments made in the 2026-2027 Federal Budget. The sub-sections below offer investment pathways, based specifically on the Focus Areas and Enabling Initiatives outlined in the Draft National Health and Medical Research Strategy, to achieve a high-functioning health and medical research and innovation sector.

Recommendations

- The National Health and Medical Research Strategy must be fully funded and underpinned by a monitoring and evaluation framework with clear metrics to evaluate and justify the funding.
- Funds allocated to the National Strategy's Focus Areas and Enabling Initiatives must be strategically deployed to establish it as the system backbone of the sector, supported by clear and measurable outcomes.

Funding – Enabling Initiative

Australia's health and medical research and innovation sector benefits from substantial investment of around $10.5 billion annually[5]. However, the current funding and policy landscape remains fragmented, duplicative and poorly aligned with long-term national priorities. Multiple federal portfolios, state and territory governments, philanthropy, industry and private capital, all contribute valuable funding; however, these sources have evolved independently, creating gaps and inefficiencies across the research and innovation pipeline. Uncoordinated schemes increase administrative burden, hinder accurate assessment of

investment, and discourage additional private and philanthropic contributions. Measures outlined in the National Strategy and SERD – namely national priority setting and horizon scanning initiatives – should be expedited to set strategic direction for future investment and developed in tandem with a National Health and Medical Research Resourcing Statement to assess and coordinate current funding. This provides the foundation upon which to scale investment across the system.

Government must utilise this Budget to be bold and ambitious in its investments in health and medical research and innovation, given Australia's flatlining R&D expenditure and the emerging gap with our international partners. Researchers across the nation are struggling under the pressure of the rising costs of conducting research, particularly for infrastructure and technology, and higher competition for increasingly finite public funding. For every $1 in research income, it is estimated that $1.20 in indirect cost funding is required to support it[6], although recent inflationary pressures are likely to make this figure much more. Without adequate funding, individual researchers and research organisations will have to continue to supplement grant funding shortfalls to cover full costs. This is leading to real terms cuts in our research capacity, and by extension our future national prosperity, while compounding workplace stress and job insecurity on the ground. Funding the full costs of research needs to be prioritised through a distinct and sustainable funding mechanism - this is an imperative for the sustainability of the sector.

The Budget must also prioritise the allocation of equitable funding across research programs, including the NHMRC and MRFF, to address health equity and systemic discrimination for priority populations, including First Nations and regional, rural, remote and very remote (RRRvR) communities, people with disability, gender and gender diverse people, LGBTQI+ and culturally and linguistically diverse communities.

Medical Research Future Fund (MRFF)

Research Australia first identified in 2023 that the total funding available for MRFF grant programs, as determined by the Fund's Board of Guardians, exceeded the $650 million ongoing funding allocation. Since then, we have consistently advocated for the release of the full funds in our Pre-Budget submissions and across other policy and advocacy platforms. Throughout 2025, Dr Monique Ryan MP has led calls for the Federal Government to release the full MRFF funds and Research Australia continues to support Dr Ryan in her campaign. We again call on government to remove the 2021 legislative cap that limits MRFF expenditure to increase the amount of funding available from $650m to better align with the Future Fund Board of Guardian's determinations ($1.1 billion in 2026-27)[7]. Given the cumulative contributions of the existing Fund, this is a cost neutral recommendation and would unlock an estimated $450 million in additional investment for the sector, based on the 2026-27 determinations. This should be used to fund new research.

National Health and Medical Research Council (NHMRC)

NHMRC funding, administered via the Medical Research Endowment Account (MREA), is not keeping pace with the rising cost of conducting health and medical research, placing increasing pressure on researchers, institutions and the national research pipeline. According to the 2025-26 Budget forward estimates, NHMRC funding is expected to grow by 2.1% in 2026-2027, 2.0%

in 2027-2028 and 2.2% in 2028-2029[8], however, at the time of writing CPI is running at 3.8%[9] - resulting in a real-terms reduction in funding at a time when research costs continue to rise.

This widening gap erodes the purchasing power of grants, reduces the number of fundable high-quality projects, and undermines Australia's capacity to retain talent and maintain global competitiveness. Without corrective investment, Australia risks diminishing returns on its research excellence and compromising the translational and economic benefits that health and medical research delivers. Government must commit to ongoing annual funding increases for the NHMRC at a minimum in-line with CPI-rate, in addition to projected increases outlined in the Budget forward estimates. For 2026-2027, this would increase the allocation from $979.761m to $995.655m – an additional $15.894m.

Government should consider this a bare minimum to avoid real-term declines in expenditure. Research Australia remains particularly concerned about the absence of funding for discovery science in earlier iterations of the SERD and National Strategy, while acknowledging that these are subject to change pending finalisation of both reforms. However, we are also seeing sheer decline in grant success rates for programs including the NHMRC Ideas Grant, now sitting at a disappointing 8.1%. We therefore urge government to back new additional funding for both the Australian Research Council (ARC) and the NHMRC to reverse the decline of investment in the sector, with a particular focus on discovery science (however, not only).

Recommendations

- Remove the 2021 legislative cap that limits Medical Research Future Fund expenditure to increase the amount of funding available from $650m in-line with the Future Fund Board of Guardian's determinations ($1.1 billion in 2026-27).
- Commit to ongoing annual funding increases for the National Health and Medical Research Council. At a minimum, increases must be in line with the CPI-rate and also include the projected circa. 2% increases outlined in the Budget forward estimates.
- Allocate additional funding for discovery research through the Australian Research Council and National Health and Medical Research Council to reverse the decline of investment in the sector.
- Allocate equitable funding across research programs, including the NHMRC and MRFF, to address health equity and systemic discrimination for priority populations.
- Define a pathway to fund the full costs of research, including infrastructure, in a rational and sustainable way.
- Urgently establish a measurable path to R&D investment of 3% of GDP by 2036, in line with the horizon of the National Health and Medical Research Strategy.

Workforce – Enabling Initiative

A strong and sustainable health and medical research and innovation workforce underpins the capacity of Australia's health and innovation system. Currently, the workforce faces systematic challenges, including but not limited to: job insecurity, high attrition rates, fragmented career pathways, inequitable access to opportunities and limited data capture by federal agencies,

such as Australian Bureau of Statistics and Jobs and Skills Australia, to define, measure and forecast the workforce and postgraduate career trajectories after PhD training.

The health and medical research and innovation sector workforce is located in a range of settings (universities, medical research institutes, healthcare settings, industry, not-for-profit advocacy organisations) and includes a range of priority cohorts requiring urgent investment (early and mid-career researchers, clinician researchers, lived experience researchers, discipline-based researchers, priority populations as researchers). The introduction of a National Health and Medical Research Workforce Plan is a welcome step towards overcoming these current challenges, with the following recommendations ensuring further impact.

Recommendations

- Increase the accessibility and availability of grants which run for 5 years or longer to grow the number of longer-term and permanent research positions.
- Fund a Health and Medical Research and Innovation Workforce Committee or Taskforce to co-develop, oversee and coordinate the Health and Medical Research Workforce Plan.
- Undertake a comprehensive annual Health and Medical Research and Innovation Workforce Data Collection to ensure ongoing monitoring and evaluation of workforce trends.
- Fund the implementation of a bi-annual National Early- and Mid-Career Academic / Researcher Survey.
- Invest in the implementation of a Consumer Recognition Framework to recognise the contributions of lived experience researchers in health and medical research and innovation.
- Allocate funding for dedicated pathways to increase representation within the health and medical research and innovation workforce across all priority populations, from EMCR through to leadership roles.
- Set up and centrally fund national programs for early- and mid-career researchers to increase professional development, networks and mentorship opportunities, as well as facilitate secondments within industry to build commercial acumen, foster stronger ties between research and industry and enhance translational opportunities.
- Commit $3.5 million per annum over 5 years ($17.5m) to pilot a new Clinician Researcher Fellowship Scheme.

Data – Enabling Initiative

Research Australia has consistently highlighted the lack of national leadership in digital health and data infrastructure and the limited discoverability due to fragmentation and barriers to timely access. Frequently, researchers do not have access to the full suite of data available across hospitals, health systems, research institutes and the many other organisations which undertake research. Ensuring we have the correct data infrastructure to support innovation is critical, as is sustained investment in training pathways and skills development to increase data literacy, collection and management across the research workforce and in the Australian Public Service.

Recommendations

- Fund a secretariat to work in partnership with government to progress data governance, infrastructure and standards to enable the efficient, secure and ethical use and sharing of Australia's health and medical research data.
- Resource the development, and commit funds to the implementation, of a unified National Health and Medical Data Infrastructure Strategy, which builds on nation-wide mapping of data and digital assets.
- Create dedicated training pathways to develop data science and health economics capabilities across the sector, including in the Australian Public Service.

Infrastructure – Enabling Initiative

The upcoming Health and Medical Research Infrastructure Roadmap is a significant opportunity to align existing infrastructure and directly inform future National Research Infrastructure Roadmaps. NCRIS-funded initiatives generate a $7.50 return for every $1 invested[10], again underscoring the significant yields stemming from bold investment in the enablers of a strong health and medical research and innovation landscape. Despite this, the 2025-26 Budget Forward Estimates show a projected decline in NCRIS funding from $464.753m in 2025-26 to $357.069m in 2027-28, before increasing again slightly to $397.739 in 2028-29[11]. This projected decline in NCRIS funding threatens to erode Australia's critical research infrastructure in the mid-term, weakening the nation's capacity to innovate, collaborate, and remain globally competitive, while undermining productivity benefits stemming from investment in areas such as data infrastructure, digital health and advanced technologies. Addressing the expiration of national research infrastructure funding is also critical and should be a key priority within this Budget to ensure investment is protected from the mid- to long-term, while acknowledging this may be addressed in the final SERD.

Long-term infrastructure investment underpins the whole sector and the national reforms currently progressing to implementation – this is an opportunity to invest and scale initiatives, not oversee managed decline of Australia's enabling infrastructure. Research Australia makes the following recommendations, drawing on our 2025 submission to the 2026 NRI Roadmap consultation.

Recommendations

- Commit to ongoing funding for the National Collaborative Research Infrastructure Strategy and address the projected decline in funding in the Budget Forward Estimates.
- Invest in infrastructure to support the access, use and linkage of electronic health records within a coordinated data governance framework.
- Fund the development of a national biobanking infrastructure to address duplications and identify and implement strategies to reduce current gaps.
- Establish a clinical data infrastructure pilot to fund primary care and health systems to build and maintain core data infrastructure for research purposes, embedding capability where data is generated and enabling system-wide learning.

Build a vibrant research system that delivers for the nation

Discovery research

Australia consistently outperforms when it comes to discovery research, ranking sixth among OECD countries for publications per capita/per million people[12]. While this should rightly be celebrated, we must not risk complacency with investment in discovery research, with recent policy and funding initiatives indicating a shift toward the prioritisation of translation and commercialisation. Government must back new additional funding for the ARC and NHMRC to support discovery research, aligned with national priorities.

Prevention

The 2024 Australian Burden of Disease Study showed that over one-third of Australia's total disease burden is preventable by modifying key risk factors linked to noncommunicable diseases (NCDs)[13]. With $24 billion in healthcare expenditure attributable to modifiable risk factors and further significant productivity loss related to illness-related absenteeism, presenteeism, and early workforce exit[14] - it is an economic imperative that Australia is at the forefront of world-leading research which ultimately reduces the burden of disease. Furthermore, while there is evidence of greater efforts to raise awareness and improve primary prevention of chronic diseases for the general population, there is a lack of gender-specific approaches which specifically focus on women[15] [16]. A lack of support for women's health not only affects everyday wellbeing, but it also impacts how women participate and thrive at work, and participate in Australia's economy. With women making up 39.2% of full-time workers[17], gender-specific approaches to primary prevention and chronic diseases must be prioritised to bolster women's health outcomes and by extension, bolster productivity through increased workforce participation. This requires the funding and implementation of a systems reform approach, such as that outlined in Research Australia Women's Health Research Roadmap (recommended in the *Embed research processes that are modern, efficient and consumer centred* section below).

The upcoming Budget should focus on growing overall investment in prevention and fund the National Prevention and Early Intervention Framework as outlined in the Productivity Commission's 2025 *Delivering quality care more efficiently* final report. Committing $1.5 billion over five years to the National Prevention and Early Intervention Fund will raise investment levels in prevention from the current level of 2% of the total health budget[18], towards the government's commitment of 5% by 2030 under the National Preventive Health Strategy 2021-2030. This must be viewed as an economically generative investment and a key enhancement to national productivity.

Recommendations

- Commit $1.5 billion over five years to the National Prevention and Early Intervention Fund to increase funding for prevention and advance government's commitment to spending 5% of the health budget on it by 2030.
- Boost investment in humanities research to advance understanding of the social, cultural, commercial and other determinants of health.

Embed research processes that are modern, efficient and consumer centred

Embedding research in the health system

Embedding research to enable learning within health systems is essential; leading to better patient outcomes, boosting workforce capabilities and innovation and embedding productivity-boosting models of care which utilise resources efficiently. This requires ongoing, sustained investment – particularly in health services research (HSR) and health economics as key disciplines to ensuring resource, policy and investment decision-making is grounded in evidence. Funding for HSR has fallen to a record low, with success rates for the NHMRC Investigator Grant in 2025 standing at 3.4% and funding down from $37.1m in 2024 to $10.6m in 2025[19]. Research Australia is deeply concerned by this reduction in investment, particularly within the context of rising health system costs and the national focus on productivity and implore government to reverse decline in funding in this area as an immediate priority. More broadly across the sector, recent data on success rates demonstrates a critical need to invest in increasing the availability and accessibility of 5-year grant schemes to reduce short-term funding cycles and volatile year-on-year changes in public investment in areas which significantly strengthen shared prosperity.

Address systemic discrimination and equity

The 2026-27 Budget is also an opportunity to make long-term investments to address systemic discrimination and equity across priority populations, so that it truly delivers for the entire nation. As the NHMRC outlines, 'inclusive research is research that is safe, sensitive and effective; will provide critical data to improve understanding of health gaps and solutions; uses funding to support broad application of research across all population and community groups; and will lead to more inclusive, safe and appropriate health care and health outcomes'[20]. Achieving equity in health outcomes requires addressing intersectional and systemic discrimination embedded within health research and funding systems. For example, a review of the Australian & New Zealand Clinical Trials Registry found that of 6,126 clinical trials approved between 2019 and 2024 recruiting participants across Australia, only 257 were designed to recruit female participants exclusively[21]. This leads to persistent gender data gap in clinical research, reinforcing long-standing under-investment in conditions that affect women differently as well as those that primarily affect women, such as menopause and perimenopause[22]. The result is poorer health outcomes, entrenched inequities, and significant downstream effects, including reduced workforce participation among women in mid-life Without addressing critical biases such as these in the upcoming Budget, Australia risks further drains to productivity and the health of the economy.

Equitable investment in research is a key precursor to equitable health; therefore government must fund the implementation of enabling policy frameworks and strategies that address current systemic gaps and biases. This includes fully funding and implementing the recommendations of the Research Australia Women's Health Research Roadmap and Regional, Rural, Remote and Very Remote Policy Discussion Paper.

Recommendations

- Expedite investment in supports for clinician researchers, as outlined in the 'Workforce – Enabling Initiative' sub-section, as critical partners in research translation within health systems.
- Reverse the sharp decline in health services research funding via the National Health and Medical Research Council and ensure long-term strategic investment in the discipline.
- Fully fund and implement the recommendations of Research Australia Women's Health Research Roadmap.
- Fully fund and implement the recommendations of Research Australia Regional, Rural, Remote and Very Remote Policy Discussion Paper.

Accelerate research and its translation to improve Aboriginal and Torres Strait Islander peoples' health and wellbeing

Research Australia notes the proportionally small investment in Indigenous-led research initiatives within the context of population share and ongoing health disparities between Indigenous and non-Indigenous Australians. We strongly encourage further investment to be directed towards Aboriginal and Torres Strait Islander researchers, and Community Controlled Health Services and Organisations (ACCOs) to grow the number of research-active organisations. This includes investments in workforce capacity, community engagement, co-design and knowledge translation.

Recommendations

- Direct further investment towards Aboriginal Community-Controlled Organisations to grow the number of Indigenous-led research-active organisations.
- Fund permanent research coordination and support positions within Aboriginal Community-Controlled Organisations to manage approvals, funding applications, and reporting.
- Provide dedicated research infrastructure funding for Aboriginal Community-Controlled Organisations and include budgets in research grants for staff time, data extraction, administrative tasks, and use of facilities, vehicles, and accommodation.
- Fund meaningful community engagement and co-design and allocate specific resources for ongoing community involvement, co-design, and knowledge translation.

Drive impact through research translation, innovation and commercial solutions

Driving research development and commercialisation requires ongoing investment in innovative funding and government procurement models, R&D infrastructure and the workforce. Australia is a global leader in preclinical research, however the ongoing 'valley of death' between research and its translation is hindering sovereign capability development and the growth of new and emerging health and medical industries which contribute to national job and wealth

creation. The advent of national priority setting must be underpinned by directing investment towards extracting commercial outcomes from research, including by defining a measurable path to R&D investment of 3% of GDP by 2036, in line with the horizon of the National Strategy.

Recommendations

- Allocate additional funding to the National Health and Medical Research Council/Medical Research Future Fund to trial novel co-investment models e.g. a Tripartite Health and Medical Research Fund with equal contributions from government-industry-philanthropy.
- Create an Australian equivalent to the US Biomedical Advanced Research and Development Authority, the UK's Advanced Research and Invention Agency, and the EU's Health Emergency Preparedness and Response Authority tasked with financing late-stage medical countermeasure development.
- Invest in streamlined IP support, including specialised staff, to help researchers and businesses navigate and protect IP rights.
- Invest in industry PhDs, postdocs, and internships based on previous programs, such as the Researcher Exchange and Development within Industry program.
- Invest in end-to-end support models to assist researchers and industry to navigate the full PBS listing pathway in order to streamline commercialisation.
- Allocate funding for the full implementation of the 50 recommendations from the HTA Review, beyond the current $5.3 million allocated in the Mid-Year Economic and Fiscal Outlook as required.

Position to be ready for future needs and challenges

The health and medical research and innovation sector is at the forefront of advanced technologies which will be transformative to the health and wealth of all Australians. Innovations such as quantum technologies, robotics and advanced life science technologies such as synthetic biology, as well as AI, are already having a significant impact on healthcare delivery, treatments and patient outcomes. As the health and medical research and innovation sector continues to capture and harness these technologies, government must ensure that the funding, skills pipeline and systems are in place to accelerate growth and capitalise on existing and emerging technological developments.

Government must also invest in the evidence to ensure the rapid development of advanced technologies is in-line with relevant governance and ethical frameworks and safeguards to prevent unintended harm. To enable this, the Budget must confirm ongoing and sustained investment for NCRIS (as outlined in the 'Infrastructure – Enabling Initiative'), as well as ongoing support for upskilling, circular mobility and training for the NRI workforce to increase understanding of advanced technology application and the increasingly interdisciplinary crossroads between research and technology.

Looking beyond domestic capacity, Research Australia strongly advocates for Australia's association to the Horizon Europe scheme and further investment in global and regional research collaborations and international science diplomacy. Uncertainty in U.S. research and

development funding poses risks to global research networks, including reduced stability of international collaborations. This therefore presents a timely opportunity for Australia to foster closer ties with reliable international partners that share a strong commitment to stable and sustained investment in research and development, particularly in the Indo-Pacific as outlined in the draft National Health and Medical Research Strategy.

Recommendations

- Confirm ongoing and sustained investment in the National Collaborative Research Infrastructure Strategy to ensure capability and infrastructure development in new and emerging advanced technologies.
- Invest in upskilling, circular mobility and training for the National Research Infrastructure workforce to increase understanding of advanced technology application.
- Allocate new funding for the membership fee of Horizon Europe, ensuring it does not detract from other portfolio budgets, and progress investment in other global and regional research collaborations and international science diplomacy.

Conclusion

Sustained and strategic investment in health and medical research and innovation is one of the most powerful levers available to government. A strong, well-funded research system delivers more than health benefits alone: it reduces long-term system costs, drives innovation and jobs, lifts workforce participation and underpins intergenerational equality and productivity growth across the economy.

With the advent of the National Health and Medical Research Strategy, Strategic Examination of Research and Development and 2026 National Research Infrastructure Roadmap, alongside other key reforms, the decisions taken in this Budget will reverberate far beyond the forward estimates. Bold action now will define a healthier, more productive and more prosperous Australia for decades to come.

For further information regarding this submission please contact Dr Talia Avrahamzon, Head of Policy, Projects and Advocacy at talia.avrahamzon@researchaustralia.org, or policy@researchaustralia.org.

Warm regards,

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About Research Australia

Setup by government following a landmark review in 2000, Research Australia is the national peak body for the health and medical research and innovation sector. Our membership is drawn from the whole pipeline of health and medical research and innovation, from universities and medical research institutes to charities and patient groups, and health care providers and companies commercialising new health technologies. Our priorities include a whole of systems approach to health and medical research and innovation, smarter investment, workforce and advancing prevention. Underpinning these priorities are equitable health outcomes; collaboration; AI and digital health, data and data linkage.

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