

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2026–27 Budget Estimates

Melbourne – Tuesday 19 May 2026

MEMBERS

Sarah Connolly – Chair

John Pesutto – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Richard Riordan

Meng Heang Tak

WITNESSES

Ben Carroll MP, Minister for Medical Research; and

Matt Carrick, Secretary, and

Danni Jarrett, Deputy Secretary, Industry, Trade and Investment, Department of Jobs, Skills, Industry and Regions.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2026–27 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Medical Research the Honourable Ben Carroll as well as officials from DJSIR. Minister, I invite you to make an opening statement or presentation of no more than 5 minutes, after which time the committee will ask you some questions. Your time starts now.

Visual presentation.

Ben CARROLL: Thank you very much, Chair. Can I at the outset acknowledge Secretary Carrick and Deputy Secretary Jarrett. Over the past decade the Victorian government has invested more than \$1 billion in medical research, driving sector growth, high skills and major breakthroughs. We have a thriving medical research and health technology sector right here in Victoria, generating significant health and economic outcomes for the state. This is evidenced by world-class institutes, research hubs and universities. Victoria consistently attracts 40 per cent of competitive Commonwealth medical research grant funding, and in 2025 that climbed to over 46 per cent, so you have seen that trajectory continue to grow. We are a national leader in clinical trials, supporting the translation of research from bench to bedside. We have the highest share of current Australian clinical trial sites in the country. Victorian companies make up more than 60 per cent of ASX-listed health technology companies nationally and have a combined market value capitalisation of \$132 billion. And I often will rephrase it: when you look at Moderna out at Monash or BioNTech out at La Trobe, that is like having Apple and Google in the one city for biotechnology. But more than that, Chair and committee members, it is estimated that some 51,000 staff are employed in the Victorian health technology industry, delivering more than \$5.4 billion in sector value.

Chair, if I could go to our achievements, we hosted the AusBiotech and AusBioInvest conferences in October 2025. Our government has delivered a significant boost to Victoria's health and medical research sector by providing an additional \$12.2 million to support 13 independent medical research institutes as part of the operational infrastructure support program.

We have invested \$5 million, to be provided through the *Economic Growth Statement*, to enhance clinical trials in Victoria. And, Chair, I do want to touch on that with the Premier on Saturday night we announced \$2 million for the Murdoch Children's Research Institute to lead Victorian paediatric clinical trials. It was a wonderful celebration of the MCRI's 40th anniversary on Saturday night, where the Premier made this life-saving initiative announcement. In 2025–26, \$6 million of the \$35 million investment in the Children's Cancer CoLab was delivered to a consortium partner to support research into the development of safer and innovative therapies, helping save lives and support young cancer patients to live healthy and long lives after their cancer treatment.

We have also completed three of the six initiatives under *Victoria's Health and Medical Research Workforce Action Plan*. This is supporting 13 early and mid-career researchers who narrowly missed out on highly

competitive national funding opportunities to continue their work and apply for future national grants through fostering achievement in research fellowships. We have developed a centralised online careers hub for the health and medical research sector. We are also in the process of completing a workforce skills gap analysis for the sector, which validates current and emerging skills and examines barriers to clinical workforce participation. We have continued to work with the Victorian Aboriginal Community Controlled Health Organisation – this is something I know Minister Thomas is proud of as her legacy – to implement the Victorian Aboriginal health, medical and wellbeing research accord. To be with Minister Thomas to announce this and make this really important investment was really important. This is key to achieving self-determination, making sure our First Nations people have the hands of research in their hands and their legacy going forward. We are also working to build Victoria's ability to tackle infectious diseases, committing up to \$400 million to supporting the establishment of the Australian Institute for Infectious Disease.

Health technologies and medical research remain a significant focus for Victoria. It is understood by the inclusion of the medical research portfolio again at the cabinet level. We will continue to back our world-class scientists and researchers to drive innovation and create life-saving medical treatments for the future. I am very proud that the 31st Premier's Awards for Health and Medical Research were held on 20 April, which I attended. We celebrated Victoria's early career health and medical researchers and their contribution to Victoria's leadership in health and medical research. This year's overall winner was Dr Brooke Patterson, an inaugural AFLW player who received the award for her research into ACL injuries and concussion. This is now part of the AFL's core policy to safely grow women's participation in sport. So there you see that pipeline from medical health to women's sport, AFL and industry all coming together. Again, when you ask anyone around the world when it comes to medical research, Melbourne is up there with Boston and Oxford, and it is something we are very proud to have again at the cabinet level.

The CHAIR: Thank you very much, Minister. The first 8 minutes is going to the Deputy Chair.

John PESUTTO: Thank you, Minister and officials. Minister, on 31 March, in the lead-up to the recent budget, there was a gathering not far from here in the gardens just beside Parliament. It was an event organised by the Association of Australian Medical Research Institutes, and in particular there were the chair Professor Keith Martin, the CEO Michelle Marven and a group of very impressive clinicians from across the range of medical research institutes in this state. A number of people spoke, in particular Steve Hargreaves and his wife Juli. Steve and Juli spoke very movingly about Steve's experience. Steve was facing stage 4 bowel cancer, or advanced cancer, and he was told to put his affairs in order and was in palliative care, according to reports and the comments on the day. Steve and Juli spoke about how Steve was able to access, because of the work of a number of our great research institutes and in particular the Olivia Newton-John research institute, and participate in the MoST-CIRCUIT clinical trial. He is now alive and well today and spoke very inspirationally to the group there. Georgie Crozier in the Legislative Council then made a few points off the back of that gathering in the chamber later that day, quoting that funding in Victoria is very poor. To quote her:

Current funding in Victoria equates to 17 cents for every dollar in grant funding; in New South Wales the government contributes 55 cents, and in Queensland it is 80 cents.

AAMRI and the institutes make the point that for every dollar invested in the great work of these institutes there is \$4 of value that is returned. The sector itself is worth more than \$600 million to the Victorian economy. Before I turn to you for a response, Minister, I think it is fair to read the institutes into the record, because they deserve to be recognised as part of AAMRI: Baker Heart and Diabetes Institute, Bionics Institute, Burnet Institute, Centre for Eye Research Australia, Florey Institute of Neuroscience and Mental Health, Hudson Institute of Medical Research, Institute for Breathing and Sleep, Murdoch Children's Research Institute, National Ageing Research Institute, Olivia Newton-John Cancer Research Institute, Orygen, Peter MacCallum Cancer Centre, St Vincent's Institute of Medical Research and Walter and Eliza Hall Institute. Minister, AAMRI and the community that supports them are calling for substantial increases in funding. There is a risk that, according to AAMRI, there could be as many as 10 institutes fold. Can you tell this committee what your plans are to protect these vital institutions to ensure they can continue doing their great work?

Ben CARROLL: Thank you, Deputy Chair, for that question. I am aware of AAMRI's advocacy. I have met with Michelle and Keith and see them regularly. I appreciate you reading out the institutes' names. Orygen – Pat McGorry contacted me last night. They are about to get an award in Europe for the work they are doing.

Just to go to the nub of your question, I have requested and the department has requested data underpinning AAMRI's modelling and projections. We are still waiting for that. We are really keen, though, to support our institutes. We know since we came to office \$1.1 billion has been invested in this sector. Victoria continues to provide the largest quantum of funding for indirect costs of any state or territory, and in the 2025–26 budget we committed a funding uplift of \$24.6 million over two years through the operational infrastructure support program, helping cover the indirect costs of research for 13 Victorian independent medical research names that you read out.

John PESUTTO: Minister, can I just clarify: do you disagree with the figure that current funding in Victoria equates to 17 cents for every dollar in grant funding compared to New South Wales and Queensland, which have much higher –

Ben CARROLL: We have asked to work with AAMRI on some of their modelling. We will continue to work closely with them, because we want to provide a unified voice to the Commonwealth for their support as well. We do know that a number of Victorian MRIs that AAMRI have been representing are keen to secure more funds and more support. I have been in this role, and since I have been here I have been working with the institutes, talking to them. I know their value to our state, and I know –

John PESUTTO: Minister, sorry to interrupt. On that point, among a number of them and from the discussions I have had with others around the sector, there is a real fear about the viability of a number of these institutes, and we want them all to survive. I know AAMRI are watching this proceeding at the moment. Can you, on behalf of the Allan government, rule out that it is no policy of your government to see any of these institutes merge or close? Because that is a fear they have. Can you offer that guarantee and assurance categorically today?

Ben CARROLL: Yes, I can, because it is no policy of ours either. They are world class – the work they are doing at Burnet, the work they are doing at the Baker, the work they are doing to try and find a cure for childhood cancer. It is an important part of the Victorian economy, our medical research, and they are world class – look at the Parkville precinct; look out at Monash. So we will continue to work with them. I receive a lot of advocacy from them. I am as committed as anyone to this sector. I did, with many colleagues, just recently the Mother's Day Classic walk, supporting Peter Mac and other institutes. We know Victoria is at its best when it is supporting its research sector. The return on investment that you highlighted is so important, but we do need to also put on the record that in absolute terms the OIS program provides the largest quantum of funding for indirect costs from Victoria of any state or territory. We have got more to do –

John PESUTTO: Minister, again, sorry to interrupt, but the sector is saying they need substantially more funding to remain viable to continue to do their great work. I think we are in heated agreement that whenever anybody asks us to name the greatest things about Victoria, we all jump first to our health and medical research institutes and the precincts around Parkville and Monash. What are you actually going to do to address the concerns that were expressed in the gardens just beside Parliament on 31 March that specifically called for urgent increases in funding to make sure these institutes can continue to do their great work?

Ben CARROLL: Thank you, Deputy Chair. I think Deputy Secretary Jarrett would like to make a few comments.

Danni JARRETT: Thanks, Deputy Premier, and thanks for the question. Just to build on the Deputy Premier's comments, overall the responsibility for funding medical research sits with the Commonwealth; the Commonwealth provides around 95 per cent of funding towards medical research in Australia. As the Deputy Premier said, we had \$47.7 million from OIS funding to support medical research institutes.

The CHAIR: Apologies, Ms Jarrett. We are going to go to Mr Hilakari.

Mathew HILAKARI: Thank you, Deputy Premier and officials, for your attendance this afternoon. Minister, I am going to take us to marra ngarrgoo, marra goorri, the Victorian Aboriginal health, medical and wellbeing research accord. You mentioned it in your presentation; I am hoping you could run us through some of the achievements and where it is up to presently.

Ben CARROLL: Thank you for that question, Mr Hilakari, because this was a really important launch of this accord by me with the then Minister for Health, because we know Aboriginal and Torres Strait Islander

peoples are more likely to experience poor health outcomes, with higher rates of psychological distress and chronic diseases and a burden of disease 2.3 times that of non-Indigenous Australians. The accord aims to correct this by supporting community and research organisations to lead and participate in research that is self-determined. We know that self-determination works. The accord empowers Aboriginal and Torres Strait Islander peoples to have a greater voice in how research is conducted across the state, fostering more research to be led, co-led and governed by Aboriginal and Torres Strait Islander people, who currently comprise 0.4 per cent of the workforce in medical research.

When I launched the accord, along with the Minister for Health, in October 2023, I said that it should not have taken 30 years for this to happen, but it has, and we are getting on with it. The development of the accord was Aboriginal led and involved consultation with Aboriginal community, traditional owners and Aboriginal researchers as well as our universities and medical research institutes, research ethics committees, TAFEs and broader government. VACCHO engaged and consulted with the Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation, and we are very proud of what we have been able to do to date.

Mr Hilakari, if I could just outline some of the objectives of the accord: first and foremost, implementing the principles of self-determination by increasing rates of Aboriginal and Torres Strait Islander-led research and participation in research; creating equitable and trusting relationships between Aboriginal and Torres Strait Islander people; making sure that we enhance the health benefits for Aboriginal and Torres Strait Islander peoples by identifying Aboriginal and Torres Strait Islander health, medical and wellbeing research priorities that are relevant to them, that are designed by them and originated by them; improving the way Aboriginal and Torres Strait Islander research is conducted to ensure Aboriginal and Torres Strait Islander law and customs are completely and culturally appropriate in our medical research; making sure that we do everything we can do to support Aboriginal and Torres Strait Islander people; making sure that their data is central; and making sure that the practices, knowledges and knowledge systems that produce the data, produce the research, use all of the Aboriginal and Torres Strait Islander mechanisms that they themselves have led on and devised.

When I was previously Minister for Medical Research, Mr Hilakari, I recall receiving many, many letters of support for the accord right across the community. I know the medical research sector is so willing and so proud of this accord here in Victoria. They do see it as a beacon, they do see it as really important, and we know putting our Aboriginal people in the driver's seat will be a game changer for health and wellbeing outcomes right across this state.

Mathew HILAKARI: I do worry with the opposition's remarks around tearing up treaty within the first hundred days of government that accords like this are also under threat, and self-determination in general. Could you just speak to the accord with some specificity around the support that the Victorian government is providing to it?

Ben CARROLL: Look, I am so thrilled. And if I could just acknowledge the work of VACCHO and the CEO Dr Jill Gallagher for her incredible work and advocacy. This is so significant. And I am going to quote Dr Gallagher, what she said at the launch in 2023. She said:

The main message we have heard from Community is that research about us, must be by us. Times of being the subjects of research rather than the drivers of it, must be brought to an end.

I am so thrilled that we as a Labor government are doing treaty and are doing self-determination. We are not talking about it. We know nothing cuts through more than action, and that is why this accord is so significantly important. We are really proud to be supporting it. We are really proud to be doing all the funding that is required to support and help it. But we know we want to get on and deliver real outcomes for the oldest continuous living civilisation on earth.

Mathew HILAKARI: That is a fantastic quote, Minister. I hope many others take attention of that who are listening today. Minister, I am going to take us to medical research initiatives. I refer to page 28 of the questionnaire that has been provided to this committee, and it goes to the description of delivery of medical research and health technologies, projects, policies and programs. This is supporting the wonderful sector that we have here. You have probably mentioned two out of the three trilogy for Victoria, which is medical research, football – you missed coffee bringing all that together. How do these support the sector to generate impact, solve global challenges and advance the Victorian economy in general? I am just hoping you can share some of the details of the drive that is going on behind this.

Ben CARROLL: It is incredible, Mr Hilakari. Melbourne, Victoria, we are the breeding ground for medical breakthroughs and research. From cancer to cystic fibrosis to the work we do right across the sector, the return on investment continues to grow. That is why we have the *Health and Medical Research Strategy*, which is a 10-year vision to support our medical research sector. We know research takes time. You do not see medical research breakthroughs overnight, but our landmark commitments in terms of our funding to support the Australian Institute for Infectious Disease, the new facility at Parkville – this will be the largest centre of infectious disease expertise in the Southern Hemisphere. We have invested \$357 million funding to Victoria’s independent medical research institutes as part of our operational infrastructure support program. Geoffrey Cumming – supporting him with up to \$75 million for the Cumming Global Centre for Pandemic Therapeutics, making sure Victoria is one of the most advanced jurisdictions in the world for pandemic preparedness and also being ready to fast-track the design and development of life-saving treatments. \$35 million to fund the Children’s Cancer CoLab. Formerly this was the Victorian Paediatric Cancer Consortium. This is being matched by \$10 million from the Children’s Cancer Foundation.

This is really important work that we do. We have got the brightest minds here in Melbourne, Victoria – I mentioned Pat McGorry earlier – the work that everyone is doing right across the sector. We could not be more proud to see the way it is part of our economy. World-class hospitals, world-class universities, world-class medical research institutes, all connected by a world-class public transport system and good coffee, as you said, make sure that Victoria is on the map for people to come. Whenever I travel around and meet different people, you see they have often come from different parts of the world because they know Melbourne is a destination for medical research and that they will be working on some of the most cutting breakthroughs going around the world.

Mathew HILAKARI: That is great to hear, and also great to hear was some of the support for early career medical researchers at the 31st Premier’s awards that you mentioned in your presentation. Could you just take us a little bit further into those awards and what was supported and highlighted and celebrated?

Ben CARROLL: Thank you, Mr Hilakari. I think, as the Deputy Chair did, these are truly awe-inspiring medical researchers here in Victoria. Dr Brooke Patterson won the Clinical Researcher Award and the Premier’s award for health and medical research excellence. Dr Karyn Ferguson won the Aboriginal research award. Dr Ebony Monson won the Basic Science Researcher Award. Dr Catherine Jan won the Health Services Researcher Award. Dr Hannah Jarman won the Public Health Researcher Award. They are all young and bright with incredible long careers ahead of them and they are going to continue to make such a great contribution to our state and our future. But more than that, we get to showcase the talent we have here in Victoria, and it is a reminder how important our commitment is to ensuring the sector is properly supported to achieve the very best.

While we are conducting the research, we are wanting to translate that research into outcomes, making sure that we can commercialise, making sure that we can do everything we can to translate that into world-class opportunities where we are getting all the capital benefit – the research does not just happen in Melbourne, Victoria, and then get manufactured in Delaware or in Texas. It all is happening here either at Beyond Tech out at La Trobe University or Moderna. To have those two facilities that will be cutting-edge when it comes to how we treat, how we diagnose, it is just so critically important to continue that investment. And I want to pay tribute to former premiers John Brumby and Dan Andrews, and Jacinta Allan, because this has been a real Labor thing – medical research right here in this great state.

Mathew HILAKARI: I might just take you to some of the funding that is available, which is the Victorian Medical Research Acceleration Fund. Do you have some examples of the supports that we have provided?

Ben CARROLL: I certainly can, Mr Hilakari. So when you –

The CHAIR: Apologies, Minister.

Ben CARROLL: I will put all that on notice.

The CHAIR: I will cut you off there. We will go to Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good afternoon. Can I ask: what is the total operational support state funding provided to medical research institutes for the 2026–27 financial year?

Ben CARROLL: I will get Deputy Secretary Jarrett to supplement my answer, but what we did do with medical research was we did it over two years. And if you go back, Deputy Secretary, to the 2025–26 budget, that was where it was invested. But could you –

Danni JARRETT: In last year's budget, there was awarded \$24.6 million over two years to supplement the operational infrastructure support program. So for the last year and for next year, it is around \$47.7 million specifically to those independent medical research institutes per year.

Aiv PUGLIELLI: Okay. Is there a figure you can provide that is over the forward estimates?

Danni JARRETT: That decision from last year was a two-year budget decision.

Aiv PUGLIELLI: Okay.

Danni JARRETT: Which is on top of the OIS funding.

Aiv PUGLIELLI: Okay. Can I ask: does the department undertake any benchmarking for this funding against other states and territories?

Ben CARROLL: We are often looking at other states and territories. And through Minister Butler we coordinate a lot of our investments to make sure we are not doubling up – that it is targeted. Ms Jarrett, do you want to supplement that?

Danni JARRETT: Going back to the earlier conversation as well around Victoria's contribution to medical research, for infrastructure support, as I said, that is \$47.7 million. The next highest state that supports that type of research is \$40 million, approximately, from New South Wales. But I think it is important to note that the mechanism through which each state funds their medical research is different, so it is not necessarily an apples and apples comparison in terms of the way in which they decide what they fund and how they fund it.

Aiv PUGLIELLI: Okay. Thank you. Just another question. You have said today you are awaiting some projections from the AAMRI. Does the department have any of its own projections for longevity of funding to these institutes and their ongoing financial viability?

Ben CARROLL: We have got all of the projections, but also what we have done to date is to invest \$1.1 billion, since we came to office, in medical research. The Premier made a substantial commitment to the Murdoch Children's Research Institute on Saturday. That is in addition to our funding of our universities and the support that the medical research institutes get from philanthropy and the university sector; it is quite an ecosystem. But we are always working towards what we can do to support such an important part of the Victorian economy, which are our world-class medical research institutes.

Aiv PUGLIELLI: Thank you.

The CHAIR: Thank you very much, Mr Puglielli. Deputy Premier and officials, thank you very much for taking the time to appear before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is going to take a break before beginning its consideration of the portfolio for children at 1:30 p.m. I declare this hearing adjourned.

Witnesses withdrew.