

Media Coverage

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New report reaffirms value of medical R&D in Australia

A new report released by Lateral Economics and launched yesterday at AusBiotech 2010, underscores the social and economic value of medical R&D, said drug industry trade group Medicines Australia's chief executive Brendan Shaw.

The Lateral Economics report indicates that, if health and medical research spending were to at least keep pace with historical spending on health over the decade and a half to 2021-22, then revenues of A\$73.7 billion (\$72.9 billion) could be generated, while health benefits could approach A\$150 billion (based on Access Economics' estimate of A\$2.17 in health benefits for every health and medical research dollar spent). The report, titled Economic Value of Australia's Investment in Health and Medical Research, was commissioned by Research Australia.

"This report sets out compelling evidence of the enormous return that Australia derives from investing in medical research," Dr Shaw said. "It highlights the importance of a stable, long-term R&D policy environment. We simply can't afford Australia's R&D investment commitment to be compromised by short-term fiscal challenges.

The medicines industry is a major player in Australia's medical R&D sector, both directly and in collaboration with hospitals, universities and other research institutions. ABS figures released in September showed that Australia's medicines industry invested more than A\$1.023 billion in R&D in 2008-09, up A\$94 million or 10% from the previous year.

Dr Shaw said: "The Lateral Economics report reasserts Australia's reputation as a global hub for R&D excellence and sends a powerful signal to policymakers that R&D is worth supporting. Ensuring an efficient regulatory environment for clinical research and implementing the R&D tax credit system are two examples of policy settings that would greatly support Australian R&D."

State of Victoria debuts A\$55 million biotech action plan

Separately, state Premier John Brumby yesterday launched an A\$55 million action plan to strengthen Victoria's leadership in biotechnology, help in the fight against serious illnesses and create jobs across the state.

Speaking at the Australasian Life Sciences Investment Summit associated with the AusBiotech 2010 conference in Melbourne, Mr Brumby said the Victorian Biotechnology Action Plan would build on Victoria's reputation as a biotechnology world-leader. "Victoria is a world-leader in biotechnology research and our new Victorian Biotechnology Action Plan will focus on promoting an even more competitive, productive and capable biotechnology sector across Victoria's industries to help grow our economy and create jobs," Mr Brumby said.

"The action plan expands on Victoria's expertise in areas such as stem cells, infectious diseases, cancer, cardiovascular disease and agricultural biotechnology. Whether it is in new therapies, medical devices or diagnostics, agriculture, industry or climate change, Victorian biotechnology will be at the heart of finding answers to today's challenges," he said.

"Over the past 10 years, the value of our biotechnology sector has grown three-fold from A\$7.5 billion in 2001 to around A\$23.6 billion at the end of 2009. The strength of Victoria's biotechnology sector means we are well-positioned to meet challenges and deliver solutions to global issues," Mr Brumby concluded.