

But the Pharmaceutical Benefits Advisory Committee recently rejected a proposal to subsidise the vaccination of more than 2 million women and girls aged 11 to 26 in the first two years and about 130,000 12-year-old girls each year after that.

At a cost of \$625 million for the first four years and \$34 million a year subsequently, the committee said the proposal by drug company CSL Limited — which shares Australian marketing rights for the Gardasil vaccine with Merck — was too costly.

In December 1994, the University of Queensland signed a licensing agreement with Australian pharmaceutical company CSL, which signed a further agreement with US giant Merck & Co for production and global distribution of Gardasil.

Details of the deals are scarce - even CSL's exact contribution to further research remains confidential - but it is believed Merck will pay royalties of 7 per cent to CSL and 1 per cent to the university.

In February 2005, after protracted international patent disputes, Merck & Co signed a further agreement with US competitor GlaxoSmithKline (GSK) for limited intellectual property rights. GSK is now battling for market approval for its rival vaccine, Cervarix, for which CSL will receive further royalties. It wants government support for its vaccine.

Professor Frazer is now on an advisory board for Merck & Co and has also been approached by GSK.

It is believed that CSL and Merck spent close to \$US1 billion bringing the vaccine to market covering costs such as: clinical trials, construction of a new plant and equipment in Philadelphia, royalties, research, patents and other legal costs. The market however is huge – effectively every girl in the developed, and developing, world.

NB Professor Frazer will also give the Millis Oration, introduced by Dr Andrew Cuthbertson, from CSL, on Tuesday 21 November at 8:30 am.