ABOUT GLAXOSMITHKLINE

GSK is a global research-based pharmaceutical and healthcare company operating in more than 100 countries around the world. Our mission is to improve the quality of human life by enabling people to do more, feel better and live longer.

In Australia we have improved people's wellbeing by delivering the highest quality medicines, vaccines and over-the-counter healthcare products since 1886. We invest around $56 million a year in local R&D making us one of Australia's top 15 investors in this area, and contribute approximately $580 million to Australia's pharmaceutical and medicinal exports.

We provide about 1600 skilled jobs across five sites in Australia and we are particularly proud to be recognised by the Equal Opportunity in the Workplace Agency (EOWA) as an *Employer of Choice for Women* for three consecutive years since 2010.

GSK has a broad portfolio of research collaborations with Australian organisations and this is an important part of our discovery success. Our scientists collaborate with Australian researchers and doctors to discover new ways of treating and preventing disease and we have over 30 discovery projects underway locally. An example of a highly successful collaboration was with the Cooperative Research Centre for asthma and airways.

We believe that providing patients with equitable access to medicines goes hand-in-hand with advancing our industry. In Australia, our clinical trials and early access schemes give patients access to new medicines, while our clinical partnerships offer access to medicines unavailable in Australia. In developing countries, we have flexible pricing policies to help ensure our medicines are available to more people.

GSK has a high level of involvement in clinical trials in Australia. We are collaborating with about 150 institutions Australia-wide, working on genetic and biochemical research projects and participate in about 75 active clinical studies at any one time. Our Medicines Research Unit at the Prince of Wales Hospital in Sydney is the only Phase I facility supported by a pharmaceutical company in Australia.

We are committed to the advancement of Australian science and support for researchers through the annual GSK Award for Research Excellence. First presented in 1980, the award recognises Australia's world class scientists for outstanding research discoveries that have the potential to lead to significant benefits in human health.

At the other end of the research spectrum, we are very proud of our work with Australian biotechnology companies to bring innovative medicines to the world. Our partnership with Biota on *Relenza*, a medical innovation used to treat and prevent influenza, is an excellent example of these Australian-based collaborations.

We have four manufacturing facilities making products for more than 30 different countries. Boronia, on the outskirts of Melbourne, is one of GSK's largest sterile facilities globally, and includes two *Relenza* lines and innovative blow-fill-seal technology.

GSK Australia also supplies approximately 25 per cent of global demand for opiate alkaloids, the chemicals derived from poppies and used for pain relief. Our manufacturing facility at Port Fairy performs the medicinal alkaloid extraction and refinement to produce thebaine, codeine and morphine.

GSK is one of the few pharmaceutical companies operating in Australia with such a diverse economic footprint. Over the past decade, we have invested heavily in our Australian arm of the business to ensure we are globally competitive within the GSK supply chain and have focused our manufacturing capability into high-value, niche production.

INTRODUCTION

The pharmaceutical industry is one of Australia's most important high-value, high-technology industries. The innovative arm of the industry directly employs over 14,000 people in Australia in a range of high skilled, high wage jobs.[1] 72 per cent of employees in the industry have some sort of post-secondary education and 19 per cent hold a Masters or PhD degree.[2]

Our industry is the largest high-technology exporter from Australia ($3.810 billion in 2010-11) and the highest manufacturing industry investor in R&D (over $1 billion in 2009-10), making us the third largest by area of business expenditure in R&D investment behind financial services and mining. The industry is also one of the largest employers of medical science graduates in Australia.[3]

The economic contribution of pharmaceutical companies is amplified through substantial linkages with other parts of Australia's medical research sector. For example, 60 per cent of all industry-funded clinical trials in Australia are conducted in partnership with public hospitals and a further 15 per cent are conducted through private research institutes.[4] The clinical trial sector in Australia is worth around $1 billion per annum[5] and according to a recent survey privately funded clinical trials are worth $636 million in Australia each year.[6]

Compared to other high technology industries (for example automotive or medical devices), it takes a very long time to bring just one pharmaceutical product to market – often up to 15 years. Longer product development cycles expose our industry to more commercial risks from changes in the policy and business environment when a product is still in development.

For this reason, we support the development of long-term policy settings such as a 10-year strategic plan for the health medical research sector in Australia – recognising that this will have significant flow-on effects in the community, for the pharmaceutical industry and in other sectors.

This submission will address a number of the Terms of Reference for the Strategic Review, highlighting the role of the pharmaceutical industry across the research spectrum and addressing the following issues:

- the research and development pipeline;
- clinical trials;
- translation and commercialisation;
- a high skilled workforce; and
- access to medicines.

In addressing the Terms of Reference, GSK makes the following recommendations to the Review Panel:

Recommendation 1: Consider the significance of the pharmaceutical industry in the research and development pipeline. Include policy settings informed by recommendations from GSK and Medicines Australia that support a vibrant pharmaceutical industry in Australia as part of the 10-year strategic plan for the health and medical research sector.

Recommendation 2: Support reforms to help boost Australia's position as a preferred destination to conduct clinical trials, such as those outlined by the Clinical Trial Action Group (CTAG) and by Medicines Australia.

[1] Medicines Australia, *Facts Book*, Second Edition, Canberra, 2010
[2] Medicines Australia, *The Australian Pharmaceuticals Industry: Winds of Change: Report of the 2009 Medicines Australia Member Economic Survey*, 2010
[3] Medicines Australia, *Facts Book*, Second Edition, Canberra, 2010
[4] Pharmaceuticals Industry Council, *2011 Survey of Privately Funded Clinical Research Activity in Australia*, 2012
[5] Clinical Trials Action Group, *Clinically Competitive: Boosting the business of clinical trials in Australia*. Canberra, 2011
[6] Pharmaceuticals Industry Council, *2011 Survey of Privately Funded Clinical Research Activity in Australia*, 2012

Recommendation 3: Incorporate recommendations from the Clinical Trial Action Group (CTAG) in the design and implementation of the Personally Controlled Electronic Health Records (PCEHR) system and future e-health developments.

Recommendation 4: Expand the role of Commercialisation Australia and provide greater support for translational and commercialisation activities.

Recommendation 5: Support future IP reforms that bring our system in line with other leading OECD countries and improve Australia's attractiveness as a destination for foreign investment by global pharmaceutical companies.

Recommendation 6: Extend data exclusivity provisions in Australia and seek greater alignment with data exclusivity provisions in the EU. In the EU, originators receive up to 11 years of data exclusivity under the 8+2+1 system.

Recommendation 7: Continue to invest in Australia's university sector to support the creation of IP through medical research and ensure all innovative, science-based industries have access to a high-skilled workforce.

Recommendation 8: Implement Government incentives (such as tax incentives or grant programs) that support employee development and up-skilling, thereby promoting a competitive operating environment in Australia and helping Australian industries to attract, train and retain key talent.

Recommendation 9: Work with industry to ensure that regulatory and purchasing processes are efficient, measured and proportionate and do not add to the burden on the pharmaceutical industry and/or delay access to new medicines for Australian patients.

THE RESEARCH AND DEVELOPMENT PIPELINE

Addresses the following Terms of Reference for the Strategic Review:

> *1. The need for Australia to build and retain internationally competitive capacity across the research spectrum, from basic discovery research through clinical translation to public health and health services research.*

All Australians benefit from a strong medical research sector. The success of this sector has significant flow on affects – not only improving health outcomes for patients, but also increasing productivity and creating and sustaining innovative industries.

The societal and economic benefits of pharmaceuticals all stem from an initial investment into health and medical research. Indeed, public support of health and medical research has been described as the best investment of public funds a government can make due to the significant returns it offers society. Research by Access Economics determined that Australian health medical research brought about a rate of return of up to five times R&D expenditure.[7]

Australia is home to some of the best researchers, healthcare professionals and medical pioneers in the world. We boast world-class research infrastructure and a stable socio-economic environment, making us an attractive environment for medical research and innovation.

Innovative pharmaceutical companies like GSK invest millions of dollars each year in local research and development, working with Australian researchers and doctors to discover new ways of treating and preventing disease.

The translation of these discoveries into medicines and vaccines leads to significant health benefits for Australian patients. For example, Australia now has the second longest life expectancy in the world at 81.4 years. It has been estimated that roughly two thirds of the increase in life expectancy from 1995 to 2003 was due to new medicines introduced during this time.[8]

Advances in medicines and vaccines have contributed to the dramatic decline in deaths from infectious diseases. Vaccines are widely acknowledged as the most cost effective health intervention in history after clean drinking water. In Australia vaccines are responsible for low rates of many infectious diseases that were once common, including polio, measles, diphtheria, whooping cough, rubella, mumps, tetanus and haemophilus influenzae type b.[9]

HIV/AIDS is no longer an automatic death sentence but a chronic condition that can be managed through medication. Deaths due to AIDS have dropped dramatically and the number of AIDS notifications has declined despite the steady number of new HIV cases, reflecting the effectiveness of the antiviral medications to combat HIV.[10]

Individually many new cancer medicines have incrementally added benefit by extending a cancer patient's life by a matter of weeks or months. As each individual cancer medicine has been an incremental step forward in treatment, collectively the development in technology has significantly extended the life expectancy for cancer patients. Between 1988 and 2000, the average life expectancy for cancer patients increased by around four years, largely due to the availability of new treatments, with substantial social and productivity benefits.[11]

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[7] Access Economics, 'Exceptional returns: The value of investing in health R&D in Australia' Canberra, September 2003.
[8] Lichtenberg, F et al 'Pharmaceutical innovation and the longevity of Australians: A first look,' *National Bureau Of Economic Research*, 2008
[9] Australian Institute of Health and Welfare, *Australia's health 2010* (12), Canberra, 2010
[10] ibid
[11] Lakdawalla, D et al 'An economic evaluation of the war on cancer' *Journal of Health Economics* (29), 2010

A viable and self-sustaining innovative pharmaceuticals industry in Australia is key factor in ensuring that Australians continue to have consistent access to new medicines, as new discoveries are our best defence against some of the challenges facing society, such as the ageing population and the increased burden of chronic disease.

It is therefore critical to ensure that adequate public support and long-term policy settings are in place to enable Australia to bring these discoveries to the world – right from the beginning of the research and development pipeline, through clinical trials, commercialisation and delivery.

Recommendation 1: Consider the significance of the pharmaceutical industry in the research and development pipeline. Include policy settings informed by recommendations from GSK and Medicines Australia that support a vibrant pharmaceutical industry in Australia as part of the 10-year strategic plan for the health and medical research sector.

CLINICAL TRIALS

Addresses the following Terms of Reference for the Strategic Review:

> *1. The need for Australia to build and retain internationally competitive capacity across the research spectrum, from basic discovery research through clinical translation to public health and health services research.*
>
> *2. Current expenditure on, and support for, health and medical research in Australia by governments at all levels, industry, non-government organisations and philanthropy; including relevant comparisons internationally.*
>
> *11. Ways in which the Commonwealth's e-health reforms can be leveraged to improve research and translation opportunities, including the availability, linkage and quality of data.*

Australia has a proud history of conducting high quality clinical research and is seen as a relatively attractive place to conduct clinical trials. In 2010, the pharmaceutical industry invested more than 10 times as much as the Australian Government's principal funding body for medical research, the National Health & Medical Research Council.[12] In the same year, more than 18,000 patients and volunteers participated in industry-initiated clinical trials across Australia.[13]

In a recent survey of privately-funded clinical research activity in Australia, 53 companies reported a total investment of almost $650 million in 2010. While the response rate to the survey was only 50%, it nevertheless captured a vast majority of the (private) investment in clinical trials in Australia.[14]

The pharmaceutical industry relies on the strength of this sector. Industry-sponsored clinical trials are an important source of ongoing collaboration between Australian health care institutions and the pharmaceuticals industry. Among other things, this collaboration delivers breakthrough knowledge and technical expertise to hospital staff.

Clinical trials, as well as promoting cross-sectoral collaboration and research excellence, have significant flow on benefits to patients. Patients on trials not only have access to new treatments, often many years in advance of their being commercially available, but they also have access to the very best evidence-based clinical care. At the same time, other patients benefit from the lessons learnt through clinical trials.

[12] National Health & Medical Research Council, *NHMRC Funded Clinical Trials Research 2000-2010*, 2010
[13] Pharmaceuticals Industry Council, *Benchmarking Survey of Industry Sponsored Clinical Research in Australia*, 2010
[14] Pharmaceuticals Industry Council, *2011 Survey of Privately Funded Clinical Research Activity in Australia*, 2012

In addition, according to Government estimates, industry investment in clinical trials saves Australian tax payers more than $100 million in hospital and PBS costs each year.[15]

However, despite Australia's attractiveness as a location to conduct clinical trials, the number of clinical trials being conducted in Australia is declining steadily. Along with Medicines Australia, we believe that urgent action is required to reverse this trend and we urge Australian Governments to implement reforms to increase the attractiveness of Australia as a preferred destination to conduct clinical trials.

In recognition of the importance of maintaining industry investment in clinical trials, in 2009 the Australian Government established the Clinical Trials Action Group (CTAG). In its final report, the CTAG made over 20 recommendations, mostly aimed at improving patient recruitment and making the process of initiating new clinical trials in Australia significantly more timely and efficient.

Unfortunately, more than 12 months after the report's release, some recommendations have not been implemented. Along with Medicines Australia, we strongly support the urgent implementation of these recommendations to ensure Australia remains a viable destination for investment in clinical research.

Recommendation 2: Support reforms to help boost Australia's position as a preferred destination to conduct clinical trials, such as those outlined by the Clinical Trial Action Group (CTAG) and by Medicines Australia.

There are a number of potential gains in healthcare efficiency, safety, quality and innovation through e-health reforms and the introduction of a Personally Controlled Electronic Health Record (PCEHR), including benefits to clinical research activities, such as enhancing patient participation.

The CTAG suggested that clinical research be "a key consideration in designing, developing and implementing e-health standards, specifications, frameworks, systems and programs,"[16] and specifically recommended that the Australian Health Ministers Advisory Council (AHMAC) introduce policy allowing on-side and remote access to trial participants' electronic health records by trial monitors and auditors.

Along with Medicines Australia, we believe CTAG's recommendations should be incorporated into the design of the PCEHR system and future e-health developments.

Recommendation 3: Incorporate recommendations from the Clinical Trial Action Group (CTAG) in the design and implementation of the Personally Controlled Electronic Health Records (PCEHR) system and future e-health developments.

TRANSLATION AND COMMERCIALISATION

Addresses the following Terms of Reference for the Strategic Review:

> *4. The relationship between business and the research sector, including opportunities to improve Australia's capacity to capitalise on its investment in health and medical research through commercialisation and strategies for realising returns on Commonwealth investments in health and medical research where gains result from commercialisation.*

Australia is highly successful in research and development up to the proof of concept stage. However at the development stage significant opportunities exist to improve our success in turning these discoveries into real, commercial outcomes, as noted in a number of recent reviews (including the Grant Review 2004 and the Cutler Review 2008).

[15] Clinical Trials Action Group, *Clinically Competitive: Boosting the business of clinical trials in Australia*. Canberra, 2011
[16] Clinical Trials Action Group, *Clinically Competitive: Boosting the business of clinical trials in Australia*. Canberra, 2011

There is growing recognition of the importance of translating basic research into real treatments for patients and ensuring research breakthroughs can become a part of clinical practice.

However, not only is there insufficient support for translational and commercialisation activities, there is also no centralised commercialisation facility in Australia, making the cost to find, search and access new investment opportunities incredibly difficult, time consuming and costly.

These information asymmetries lead to market distortions and failures in the efficient transfer of academic knowledge into commercial products. This in turn makes it much more difficult for industry to commercialise new and innovative products for Australian patients.

Along with Medicines Australia, we believe there is significant room for improvement in Australia's commercialisation culture. Gains from basic research and proof-of-concept activities are still being lost because start-ups and small firms have inadequate access to advice and funding.

While Commercialisation Australia provides valuable support in this regard, to date grants have been too small to facilitate large-scale commercialisation projects, whilst funding from multinational companies has been limited because Australia lacks local mechanisms to identify promising research.

It is the role of Government to correct this market failure, and governments can do this by maintaining and augmenting *existing* infrastructure, rather than disrupting channels with a complete overhaul of the system.

Recommendation 4: Expand the role of Commercialisation Australia and provide greater support for translational and commercialisation activities.

Strong Intellectual Property (IP) laws are also essential for facilitating the commercialisation of research into commercial realities. Patents incentivise medical research by providing security to investors active in the area, like biotechnology, nanotechnology and pharmaceutical companies.

Globally, in 2010 GSK spent £3.96 billion on R&D or 14 per cent of our total sales. We are one of the world's biggest investors in R&D and are the biggest private sector funder of R&D in the UK.[17] Due to the significant investment we make in R&D, protection of IP is vitally important and an essential component for our continued investment in the markets in which we operate, including Australia.

Harmonisation across IP systems and making sure Australia's IP system meets international standards is a critical role for governments. Continuing work to bring our IP system in line with other leading OECD countries will improve Australia's attractiveness as a destination for foreign investment by GSK and other global pharmaceutical companies.

Government should ensure that Australia can continue to compete with other advanced economies in terms of protecting the results of innovation through strong and globally consistent IP laws. Governments should also ensure there are sufficient mechanisms within the system to support the best and brightest minds in Australia to generate IP that can be utilised in Australia and around the world.

We are very supportive of recent moves by Government to amend the *Patents Act 1990* through the *Intellectual Property Laws Amendment (Raising the bar) Bill 2011*, which was passed by the Australian Parliament early in 2012. We believe this legislation provides useful and welcome improvements to Australian patent law and helps harmonise our IP system with other OECD nations.

Recommendation 5: Support future IP reforms that bring our system in line with other leading OECD countries and improve Australia's attractiveness as a destination for foreign investment by global pharmaceutical companies.

[17] GlaxoSmithKline Annual Report, 2010

Data exclusivity is a type of IP right that also influences the success of Australia's pharmaceutical industry. Regulators require results from clinical trials before registering an original medicine for sale in a market. However, regulators also allow generic companies to rely on relevant originator data to register their own products, without having to conduct separate clinical trials. Data exclusivity prevents generic companies from doing this for a fixed period of time, acting as a form of protection for confidential information provided by originator companies as part of the regulatory process.

Australia's data exclusivity system is one of the weakest in the OECD, with the current term of data exclusivity of 5 years (beginning from the date of a new medicine's first inclusion on the Australian Register of Therapeutic Goods). Most other OECD countries offer between 8-12 years of data exclusivity and this places Australia at a considerable disadvantage.

We believe Government should extend data exclusivity provisions in Australia and seek greater alignment with data exclusivity provisions in the EU, given that Australia and the EU share nearly identical regulatory and reimbursement systems. We believe this is a cost neutral policy amendment.

Recommendation 6: Extend data exclusivity provisions in Australia and seek greater alignment with data exclusivity provisions in the EU. In the EU, originators receive up to 11 years of data exclusivity under the 8+2+1 system.

A HIGH SKILLED WORKFORCE

Addresses the following Terms of Reference for the Strategic Review:

> *6. Strategies to attract, develop and retain a skilled research workforce which is capable of meeting future challenges and opportunities.*

The strength of Australia's university sector and our medical research institutes are vital components in the supply chain for a vibrant pharmaceutical industry. As one of the largest employers of university graduates in Australia, including science graduates, the sector helps generate the high-skilled science workforce that we need to operate. This sector is also instrumental in creating valuable IP that we can then commercialise for the benefit of Australian patients.

Unfortunately, growth in the Australian pharmaceutical industry is being hampered by the persistent shortage of skilled workers. These workforce shortages were addressed by the Pharmaceuticals Education Council (PEC) in 2008,[18] which found that there are considerable skills shortages not just in the pharmaceutical industry, but in all knowledge-intensive industries in Australia.

The PEC report identified gaps across the value chain and noted that many recent university graduates lack basic research, project management, clinical trial design, interpersonal, marketing and negotiating skills, all of which are critical to the business of bringing new products to market.

According to Medicines Australia, the PEC's findings were broadly supported by an industry survey which found that Australian pharmaceutical companies have had to import labour to meet shortages in several key areas, such as clinical trial management and business development.

To address these issues, we believe a 10-year strategic plan for the health and medical research sector should include investments in Australia's university sector, both to support the creation of IP through medical research and to ensure all innovative, science-based industries have access to a high-skilled workforce.

Recommendation 7: Continue to invest in Australia's university sector to support the creation of IP through medical research and ensure all innovative, science-based industries have access to a high-skilled workforce.

[18] Pharmaceuticals Education Council, 'Report on Skills Gaps in the Pharmaceutical and Biopharmaceuticals Industries in Australia' 2010

In Australia, GSK provides around 1600 jobs for men and women across Australia and we are particularly proud to be recognised as an *Employer of Choice for Women*. We recognise that the success of our business is a reflection on the strength, skills and commitment of our employees.

When it comes to human capital, the current high exchange rate, combined with overall higher salary levels in Australia, makes it difficult to compete for market share on the global stage. To remain competitive we must be highly efficient, both with our people and through technology. Government incentives for companies to invest in their people, without adding to operating costs, would be a significant driver to sustain capability locally, rather than moving off-shore.

Recommendation 8: Implement Government incentives (such as tax incentives or grant programs) that support employee development and up-skilling, thereby promoting a competitive operating environment in Australia and helping Australian industries to attract, train and retain key talent.

ACCESS TO MEDICINES

Addresses the following Terms of Reference for the Strategic Review:

> *10. Ways in which health and medical research interacts, and should interact, with other Government health policies and programs; including health technology assessments and the pharmaceutical and medical services assessment processes.*

Australia's Pharmaceutical Benefits Scheme (PBS) is a taxation-based, risk-pooled social welfare policy designed to provide universal access to medicines. The PBS operates under the umbrella of Australia's National Medicines Policy, which has as its overall aim "to meet medication and related service needs, so that both optimal health outcomes and economic objectives are achieved."[19]

The PBS facilitates access to prescription medicines by subsidising their costs, reflecting the principle that cost should not constitute a substantial access barrier to the medicines people need. Today the PBS provides timely, reliable and affordable access to necessary medicines, with significant flow on benefits throughout the economy.

The Government's role as purchaser of medicines for the community through the PBS is the most important factor for our operations in Australia. Unexpected changes in government policy and practice, particularly involving the PBS, have major repercussions for how we operate and invest in Australia.

That is why GSK supported the recent Memorandum of Understanding (MoU) between the Commonwealth and Medicines Australia, which builds on reforms implemented in 2007. These reforms provide a predictable policy environment for industry and improved access to new medicines for Australian patients, whilst delivering a fiscally sustainable PBS for the Government. Savings measures included in the MoU provide the Commonwealth with secured cumulative savings of $1.9 billion by 2014.

The pharmaceutical industry is one of the most highly regulated industries in the world. Regulatory efficiency is therefore a key issue for our industry and has a material impact on the industry's viability.

In Australia, we face a range of regulatory systems at different stages of our operations – from the registration of pharmaceutical products through the Therapeutic Goods Administration (TGA) through to PBS reimbursement pathways through the Pharmaceutical Benefits Advisory Committee (PBAC). These regulatory and reimbursement pathways are funded through cost-recovery arrangements with industry and in recent years they have undergone a number of substantial reforms.

[19] Department of Health and Ageing, *National Medicines Policy 2000*, 1999

For example, in early 2009 the TGA commenced reforms for the regulation of prescription medicines in Australia, also known as the Business Process Reform (BPR) program. Then in 2010-2011, Government also commenced implementing changes to the way that drug and diagnostic combinations (also known as co-dependent technologies) are assessed by the PBAC and the Medical Services Advisory Committee (MSAC).

GSK supports reforms to both TGA and PBAC/MSAC processes to make these regulatory systems more efficient and transparent. We would note, however, that it is Government's responsibility to ensure that changes to these systems do not increase the regulatory burden on our industry, particularly given that some of these regulatory systems are funded via industry cost-recovery arrangements.

It is also Government's responsibility to make sure that the respective government agencies are adequately resourced over the long term, so that these reforms do not impact the efficiency of regulatory and purchasing approval pathways for new medicines and discourage innovation.

Recommendation 9: Work with industry to ensure that regulatory and purchasing processes are efficient, measured and proportionate and do not add to the burden on the pharmaceutical industry and/or delay access to new medicines for Australian patients.

CONCLUSION

GSK appreciates the opportunity to contribute to the development of the 10-year strategic plan for Australia's health and medical research sector. As a research-based pharmaceutical company, the work that we do touches on many aspects of Australia's medical research spectrum: from early phase research and drug discovery, right through to clinical trials and commercialisation of innovative new medicines.

We are downstream members of the medicine supply chain, so are keenly interesting in strengthening Australia's capacity and capability in creating new discoveries and in efficiently developing these into medicines and treatments for patients. Ultimately, the medicines we develop play an important role in the health and wellbeing of Australian patients.

All Australians benefit from a strong medical research sector. The success of this sector has significant flow on affects – improving health outcomes for patients, increasing productivity, and creating and sustaining innovative industries like the pharmaceutical industry. Indeed, the societal and economic benefits of pharmaceuticals all stem from an initial investment into health and medical research.

Australia is home to some of the best researchers, healthcare professionals and medical pioneers in the world. Our world-class research infrastructure and a stable socio-economic environment make Australia an attractive environment for medical research and innovation.

Health and medical research is also a growth industry, with an outstanding record of achievement in both monetary terms and through returns to our society. New discoveries are now our best defence against future challenges such as the ageing population and the increased burden of chronic disease. It is therefore critical to ensure that adequate public support is in place to enable Australia to bring these discoveries to the world.

Both independently and through Medicines Australia we urge the Review Panel to consider the significance of the pharmaceutical industry in our health and medical research sector and to include recommendations that support a vibrant pharmaceutical industry in Australia as part of the 10-year strategic plan.