

DON'T BOVVER MEDICAL RESEARCH

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The government should restore funding cuts

WHEN it comes to groups the government can least afford to offend, there are a few that spring immediately to mind, but the standout has to be the medical research community.

They tend to be apolitical, and if governments back them they usually melt away into their laboratories and develop products or medicines that save or prolong lives and earn squillions in export dollars. This has been the case for decades.

The value of the work they do is both measurable and immeasurable, and universally appreciated. It is not, for instance, like the car industry where billions of taxpayer dollars are poured in, only to have production cut, jobs lost or plants close down.

Consider this. In 1999, vehicle and component exports reached a little more than \$3 billion. In 2011 the value of exports was a little more than \$3bn. According to the Productivity Commission, from the financial year 1999-2000 to 2010-11 inclusive, subsidies to the automotive sector from governments has been just below \$7.9bn.

Meanwhile Medicines Australia, says its sector, had its best export performance on record in last year, topping \$4.3bn. Medicines Australia cites Australian Bureau of Statistics data showing exports of pharmaceutical and medicinal products were up \$578 million or 15 per cent on the previous year.

The report also shows the medicines industry is the Australian manufacturing sector's biggest hi-tech export earner.

As think tanks press governments to get health spending under control, it is worth remembering every dollar invested in Australian health and medical research returns on average \$2.17 in health benefits.

So you would think such an obviously successful and highly regarded industry, the Black Caviar of the manufacturing world, would be nurtured. Instead the government has sanctioned a fiddling of its funding formula, sending chills through a sector



sending chills through a sector that relies on confidence and certainty to continue its work.

The sector was advised by the National Health and Medical Research Council on December 20 last year that from now on grants would be paid in arrears, not in advance. The sector estimates this would reduce working capital each quarter.

As a result, cuts to the sector will total \$70m by the end of this financial year. The sector believes the council was told by the government to find savings and chose this method, without consultation — another reason people are irritated. Appeals to the government to reverse or modify the decision have been ignored.

This decision followed cuts of almost a half-billion dollars across four years from the Sustainable Research Excellence scheme, which affects universities, announced in last October's mid-year economic and fiscal outlook.

The president of the Association of Australian Medical Research Institutes, Brendan Crabb, said the latest cuts were not "catastrophic" but were still a negative hit that would "chip away" at the confidence essential to attract and hold the best and brightest for projects that could take decades to complete.

The director of the Walter and Eliza Hall Institute, Doug Hilton, decries the slow erosion of funding that threatens "death by a thousand little cuts" and cites the ending of the Australia Fellowship scheme as another example of the erosion.

Incidentally, researchers at

this institute developed a drug that has helped 10 million cancer patients across the world withstand the effects of chemotherapy. It took 30 years to get the drug to human treatment stage.

The sector is also concerned about the likely fate of the McKeon review of medical research, which has recommended a 10-year strategy to foster the sector, including increased funding of about \$1.5bn a year in the health system alone, the establishment of research hubs and increased incentives for philanthropy.

If the government had any sense, it would adopt McKeon in the budget, set out a timetable for implementation, then sell it as a vital economic and social investment. That is a big if.

The opposition has pledged to preserve medical research funding and health spokesman Peter Dutton has embraced McKeon. The sector has sought but so far failed to receive similar assurances from the government.

Almost exactly two years ago, word leaked out the government planned cuts of \$400m from medical research in the budget. It triggered a ferocious campaign by researchers, patients, families, the opposition, the Greens and others.

As a result the government abandoned the plan. It did not do so graciously and it is difficult to escape the notion that the latest cuts are part of a puerile attempt at payback.

It doesn't take much to rile Wayne Swan, the government's bovver boy in chief. Always on the alert for slights, the Treasurer was

infuriated by the 2011 campaign and delivered personal warnings to those he believed were behind it. Former health minister Nicola Roxon also had a reputation as a bovverer. Before one meeting with health professionals, these people, expert in their field, confided they had been told the minister would speak and they would listen, but if they spoke the meeting would be cancelled.

Tony Abbott and his office initially mishandled news of unacceptable behaviour by the drunken staff member who berated a businessman, then offered to act as a deep throat for Peter van Onselen.

The staff member deserved to be punished. However, when attack puppy Craig Emerson tweeted that the incident, and Abbott's reaction to it, was a window into a "brutal Abbott prime minister-ship" — as if a culture of intimidation and bullying was Abbott's exclusive preserve, rather than a Labor specialty — the guffaws could be heard from boardrooms to laboratories.

Labor escapes censure for its heavy-handed approach because those on the receiving end fear retribution, if not against them personally, then their causes.

It is one thing to have willing exchanges between politicians and their staff, and those who analyse them.

It is quite another to have the bovver boys and girls of government, or opposition for that matter, whacking citizens for expressing contrary or unwelcome points of view, especially when all they want to do is good things. It's pathetic and should not be tolerated.