

**Senate Community Affairs Committee**

**ANSWERS TO ESTIMATES QUESTIONS ON NOTICE**

**HEALTH PORTFOLIO**

**Budget Estimates 2014 - 2015, 2/3 June 2014**

**Ref No:** SQ14-000547

**OUTCOME:** 0 - Whole of Portfolio

**Topic:** Medical Research Future Fund

**Type of Question:** Written Question on Notice

**Senator:** McLucas, Jan

**Question:**

The Government has announced the creation of a Medical Research Future Fund of up to \$20 billion and has stated that by increasing investment in research, Australians will help tackle cancer and other diseases.

- a) What priorities and processes have been put in place to administer funding?
- b) How will the Government ensure that medical discoveries are translated into improved treatment outcomes for Australian cancer patients?
- c) Given that the benefits from basic medical research will not be realised for many decades how does the Government plan to fund cancer treatment in the meantime to ensure timely and affordable access to available medications for cancer patients who need them now?

**Answer:**

a) and b)

The details of the operation of the Medical Research Future Fund, including the disbursement strategy, are currently being developed.

- c) The National Health and Medical Research Council (NHMRC) will continue to fund cancer research. The NHMRC is the largest funder of cancer research in Australia and has invested about \$1.6 billion since 2003.

In addition to NHMRC funding, Cancer Australia also funds cancer research, through its priority-driven Collaborative Cancer Research Scheme. From 2006-07 to 2013-14, Cancer Australia has invested \$41.25 million for cancer research. Cancer Australia has also received \$38.4 million from 2006-07 to 2012-13 for National Cancer Cooperative Trials Groups.

Further, the Australian Government subsidises medicines through the Pharmaceutical Benefits Scheme (PBS). There are approximately 100 cancer treating medicines available on the PBS, costing the Government close to \$1.2 billion a year in expenditure.

Australia has one of the fastest reimbursement processes for the Australian Government subsidy of medicines in the world, with the Pharmaceutical Benefits Advisory Committee (PBAC) cycle taking 17 weeks from application to assessment. In making recommendations to list medicines, PBAC uses best practice evaluation methods to consider clinical and cost-effectiveness, including the potential benefit and total cost of the listing.