Coalition buries its own medical research fund victory

On August 31 last year, Alastair Lucas, an investment banker with Goldman Sachs, announced the formation of an action group to lobby crossbenchers and the Labor Party to support the Abbott government’s proposed $20 billion medical research fund, which by then was in deep trouble.

It was a broad coalition including academics Nicholas Fisk and Bruce Robinson, researchers of the calibre of Christine Bennett, Brendan Crabb and Doug Hilton, high-flying business types such as Matthew Grounds and philanthropists such as Harold Mitchell.

Such are the cruelties of life that a week later Lucas, also chairman of the renowned Burnet Institute, was diagnosed with brain cancer that was so aggressive there was little that could be done for him. Lucas died in early July. He lived long enough to know a deal had been struck to establish the fund, not long enough to see the legislation passed and, sadder still, not long enough to derive some personal benefit from the important work that no doubt will flow from it.

But he, along with others, recognised the potential of the fund despite its many critics, particularly from the purist economic commentator class that panned it from the moment Joe Hockey announced it in his 2014 budget and despite the lack of support from Labor, which in its time in office had sought to cut funding for medical research. The fund seemed doomed, largely because the government had linked it to the hugely unpopular Medicare co-payment.
So many people were determined to make it happen, yet so few others know it has been achieved. Greens leader Richard Di Natale, a former GP, whose ideology coexists with a healthy pragmatic streak, did not need much lobbying. Di Natale was on board from the outset. He was sick of seeing friends involved in medical or scientific research packing up to head overseas. He was key to the outcome.

So was Finance Minister Mathias Cormann, who clinched the deal with Di Natale after discussions between them, their offices and Health Minister Sussan Ley.

Corralling activities was lobbyist Ian Smith, who has been on the board of the Baker Institute for six years and forged deep connections in the medical research community.

There were trips to Sale to talk to Ricky Muir, to Tasmania to meet Jacqui Lambie, west to visit Dio Wang and north to brief Glenn Lazarus. They were given tours of research institutes in their home states.

As well as the professionals, patients provided the all too real human perspectives. Connie Johnson, who battled cancer as a teenager, against all odds became a mother, who has, along with her family, raised money for research, only to find herself again in a battle for survival, was able to tell the politicians what it would mean for people like her.

Once they could see how much was at stake, but also how much could be achieved, the crossbenchers were convinced. As Smith says, in a message for all businesspeople hoping for reform, it was important to educate as well as advocate.

The action group was agnostic on the co-payment, which the government argued was essential to pay for it. It fell by the wayside after a different coalition of forces killed it. Instead, the initial $1bn allocation will come from the Health and Hospitals Fund, then from other savings in health until it reaches its nominated balance of $20bn.

The legislation to set up the fund, which will run in tandem with the National Health and Medical Research Council, passed through parliament largely without notice on August 12. The marathon Coalition partyroom debate over same-sex marriage the previous day not only overwhelmed discussion on the renewable energy target, it also swamped news of the establishment of the fund.
Even when the government does something really good, as this is, in concert with people who are not always their friends, it manages to arrange its agenda to ensure it gets little or no attention, and even less credit. It is quite a talent.

They all knew the day it would happen, yet suggestions by the campaigners to bring researchers, patients or whoever together in Canberra to generate publicity were rejected by the government. God knows why. We would be grateful though if he could explain it to the rest of us.

One of the prime functions of the fund will be what the experts term “translational” — translating breakthroughs into cash. Australian researchers are world renowned; however, often the economic benefits for the country are missed because the apparatus to make them commercially viable is inadequate.

The fund, according to the Treasurer (who apparently argued strongly for it), Cormann and Ley, will be administered by an independent advisory board. It will include eight members with expertise in medical research and innovation, health policy, commercialisation, knowledge of philanthropy and consumer issues, and how to translate research into frontline medical practice. Cormann has been researching overseas models to see how earnings from any breakthroughs advanced by the fund could be ploughed back into it. The fund not only promises to improve health outcomes (bringing, perchance, productivity improvements), it means high-quality jobs and export earnings. Win-win.

As it confronted the scare campaign against the China free trade agreement, the government finally began to weave the three trade deals secured by Andrew Robb into its economic narrative. It has achieved on matters of substance.

The pity is too often the good news is swamped by the bad news, which again, too often, is of the government’s own making. It seems incapable of breaking out of the vicious cycle, even when there are people with good intentions doing their utmost to help.