

# Pre-Budget Submission 2025–26

## Recommendation

That the Australian Government establish an Australian Life Sciences Council under the auspice of the Prime Minister and invest \$3.6 million over four years for the establishment and operation of the Council.

AusBiotech and Medicines Australia welcome the opportunity to put forward a 2025–26 Pre-Budget Submission that advocates for the establishment of an Australian Life Sciences Council (Council). The rationale for establishing a Council is clear – it will help create the conditions to realise the full potential of Australia's life sciences industry, and maximise its contribution to national health, wealth and security goals.

### **Life Sciences Industry is already identified as a national priority, but co-ordination is required**

Australia's life sciences industry is central to the country's future diversified economy, productivity, security and the health and wellbeing of all Australians. It is recognised as a priority industry by the Australian Government and by each State and Territory Government, and is playing an increasing role in international security and diplomacy.

Given the strategic importance of the life sciences industry to sovereign wealth and national security, many OECD nations have already established whole-of-government national life science councils to drive innovation, investment, jobs creation and competitiveness. Australia must act now to capitalise on our strengths, lest we fall further behind our international peers.

While the sector is recognised as a priority, there is currently no overarching framework or central body to co-ordinate and guide holistic national strategy formation, policy development and implementation across the life sciences pipeline and value-chain. This is particularly relevant given the industry's numerous policy touchpoints—spanning regulation, funding, investment, procurement, clinical trials, manufacturing, exports, education, and skills—which are dispersed across more than eight Australian Government portfolios, at least 20 incubator and accelerator programmes across the country, as well as numerous state and territory initiatives.

The sector would greatly benefit from a whole-of-government strategic focus, deliberate co-ordination, and an enduring forum to foster partnership between industry, government and other key stakeholders across the value chain. A Life Sciences Council will do this.

### **Role of the Council**

The Council will inform a whole-of-government approach to health innovation across the lifecycle – from early stage research through to clinical trials, translation, development and commercialisation – in partnership with industry. Drawing on international best practice, it will help local innovators overcome existing challenges that make it difficult to bring new health innovations from early-stage discovery through to clinical trials, commercialisation and domestic manufacturing.<sup>1</sup>

Through the partnership between government and industry, the Council will seek to streamline strategic government decision-making, optimise the regulatory and policy environment, and increase the attractiveness of Australia as a location for the life sciences sector to create new jobs and exports. It will also help to foster favourable conditions for new, innovative businesses to be established and

sustained over the long-term, thus fulfilling the Australian Government's policy goal to build these businesses here.

### **Why Australia needs a Life Sciences Council**

Australia's life sciences industry is an essential part of Australia's economy, supporting high-paying and skilled jobs, manufacturing exports, and underpinning the health and wellbeing of Australians. The sector makes a significant contribution to Australia's economic resilience. There are approximately 350,000 biotech jobs across Australia<sup>2</sup> and 2,905 life science organisations, including 1,592 biotech and medtech companies.<sup>3</sup> Since 2016, the biotechnology industry is cumulatively Australia's greatest value-add export industry outside of primary industry<sup>4</sup>, making it key to Australia's future diversified, modern economy. The industry is also increasingly playing an important role in government decision-making relating to national security.

The operating environment for the life sciences sector is changing rapidly, due to many factors, including:

- Global health challenges (e.g., COVID-19 pandemic) and shifting disease threats caused by climate change.
- National sovereignty requirements in manufacturing driven in part by supply chain constraints.
- Geopolitical tensions.
- Ageing population and the rise of complex and chronic diseases.

Without change to the status quo in Australia, where multiple departments and policies are intersecting with the life sciences industry, sub-optimal outcomes for the nation will continue. To ensure Australia can remain internationally competitive, and deliver high-level health, economic and national security outcomes will require a different, more unified approach. Government leadership and funding are needed to establish the Council and to ensure that it meets its intended objectives to inform a globally competitive national strategy that will promote Australia as an attractive destination for the life sciences sector; boost domestic development and commercialisation; build on Australia's proud heritage and expertise in health and medical research; and promote the development and early adoption of new health technologies.

Establishing an Australian Life Sciences Council to inform the development and implementation of a whole-of-government Life Sciences Strategy (as called for in the joint pre-Budget submission from AusBiotech and MTPConnect) will provide the necessary platform to facilitate streamlined decision-making and improved dialogue between the industry and government. Together with a Life Sciences Strategy, the Council can set clear priorities for translation, development, commercialisation and market access providing certainty for the industry, boosting global partnership capability and increasing investor confidence. A Council will give the industry the strategic focus and co-ordination from government it warrants. This will lead to improved health, economic and security outcomes for the nation, through regulations and incentives that better meet the needs of the sector and maximise Australia's strengths in health and medical research. Importantly, a Council that is backed by a comprehensive Life Sciences Strategy, will also promote the development and availability of new health technologies in Australia, for Australians, while growing our export opportunities.

### **Budget requirements**

To establish a Council the total preliminary estimated cost over four years is \$3.6 million\*.

Preliminary estimated annual government costs for the Council are based on:

- Secretariat staff costs – 4 FTE (2 x EL1 equivalent, 2 x ASO6 equivalent) in one government agency or spread across several agencies/departments (\$600,000 p.a.)
- Administrative costs – travel costs, meeting costs, annual report costs, administration, etc for secretariat staff (\$300,000 p.a.).

Note that costs do not include sitting fees, travel expenses, etc for Chair and Vice Chair. These positions may require additional expenses depending on appointments.

\*Based on estimates from Shawview Consulting

### **Acknowledgements**

AusBiotech and Medicines Australia acknowledge work undertaken by Shawview Consulting (for UCB and Bristol Myers Squibb) in developing a proposal to government for an Australian Life Sciences Council. AusBiotech and Medicines Australia are ready to commence immediate engagement with the Government to co-design the details for a Council.

### **About AusBiotech**

AusBiotech is Australia's leading national and global advocate for life sciences. With a more than 3,000 strong industry led member network, we leverage our unique national convening power to support our members' growth – by building an Australian life sciences ecosystem that leads in development and commercialisation, to create high-quality, innovative life sciences companies.

### **About Medicines Australia**

Medicines Australia leads the research-based medicines industry of Australia. Our members discover, develop and manufacture prescription pharmaceutical products, biotherapeutic products and vaccines that bring health, social and economic benefits to Australia. Our members invest in Australian medical research and take local discoveries and developments to the world.

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<sup>1</sup> [Why Australian medical inventions aren't commercialised here](#) Accessed January 2025

<sup>2</sup> Global Data research on behalf of AusBiotech 2024.

<sup>3</sup> Global Data research on behalf of AusBiotech 2024.

<sup>4</sup> Australian Bureau of Statistics, L.E.K Analysis for MTP Connect.