

## EDUCATION, SCIENCE AND TRAINING

### SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2005-2006 SUPPLEMENTARY ESTIMATES HEARING

**Outcome:** 1  
**Output Group:** ARC

#### DEST Question Nos. E782\_06, E783\_06, E784\_06 & E785\_06 - Final

Senator Forshaw provided in writing.

#### Questions:

- 1 How much funding has been provided by the Australian Government to the Australian Stem Cell Centre (ASCC) since 2002? Please provide a break-up of this funding by Department and Agency.
- 2 Is the ASCC required to report to the Federal Government on how it has expended such funds?
- 3 If so, have these reports been provided to the Government? Please provide a copy of the reports to the Committee if available.
- 4 Who owns the intellectual property if any, resulting from the use of these funds?
- 5 Does the Government believe that it, and the Australian people, have received value for money through the allocation and use of these funds by ASCC?

#### Answer:

*Australian Stem Cell Centre (ASCC)*

*ARC has provided the following response.*

- 1 From 2002 to November 2005, the ASCC has received \$40.25 million under two Australian Government programs. This comprises \$36.25 million under the Biotechnology Centre of Excellence program, jointly administered by the Australian Research Council (\$18.75 million) and the Department of Industry, Tourism and Resources (\$17.5 million); and \$4 million under the Major National Research Facilities program, administered by the Department of Education, Science and Training.
- 2 Under the Biotechnology Centre of Excellence Deed of Agreement, the ASCC provides the Australian Government with Annual, Mid-Financial Year and two Quarterly Reports each year. These reports outline the strategic, commercial and research priorities of the ASCC. They identify the prioritisation of ASCC activities, commercial strategies, potential collaborators, research areas and therapeutic targets.
- 3 The disclosure of these Reports would undermine the ASCC's commercial interest *vis-à-vis* its commercial competitors and would prejudice the ASCC's ability to deliver against its objectives under the Deed. DITR consulted the Minister for Industry, Tourism and Resources. The Minister has determined that the ASCC's reports contain commercially-sensitive information and should not be released for the reasons stated above.

In addition to these confidential reports, the ASCC produces a public Annual Report which is available on the ASCC's website at

[http://www.stemcellcentre.edu.au/file\\_downloads/annual\\_report/ascc\\_ar\\_0405\\_web.pdf](http://www.stemcellcentre.edu.au/file_downloads/annual_report/ascc_ar_0405_web.pdf).

4 The ASCC undertakes stem cell research at its headquarters in Melbourne. It also provides research funds for stem cell research undertaken at other institutions, including its stakeholder institutions – Monash University, Murdoch Childrens Research Institute, Peter MacCallum Cancer Centre, The University of Adelaide, The University of Queensland and Victor Chang Cardiac Research Institute. In the absence of any specific agreement to the contrary, legal ownership of intellectual property generated from ASCC-funded research projects vests in the ASCC.

The ASCC is a national organisation, headquartered in Melbourne with nodes in Victoria, New South Wales, Queensland and South Australia. Research undertaken by the ASCC at its research nodes is governed by a Stakeholders' Agreement and specific Project Agreements. The Stakeholders' Agreement sets out the commercial model of the ASCC and reflects the intellectual property and financial contributions of each of the parties.

5. The ARC and ITR funds the ASCC in accordance with a Deed of Agreement which states that 'the payment of each instalment will be based on satisfactory performance of the Centre Institution'. All payments scheduled to January 2006 have been made or are in the process of being made.

The MNRF component of the ASCC is supported by the Commonwealth under a Deed administered by DEST. Payments under this Deed are also based on satisfactory performance of the MNRF. All payments scheduled to the end of 2004-05 have been made.

An independent review of the ASCC is currently being conducted. This review could assist the Australian Government identify changes that will enhance value for money from future operations of the ASCC taking into account the long-term nature of health-related biotechnology research and the resultant lag-time before all returns are realised.