



MEDIA RELEASE
6 October 2020

MedTech, a big winner in the Budget

The Treasurer, the Hon Josh Frydenberg MP, has today delivered the Government's plan for a once-in-a-generation change to Australia's economy. The Treasurer has said this Budget is a budget for all Australians, and it reaffirms the Government's commitment to MedTech innovators. The JobMaker plan has the potential to not only create thousands of jobs but also create the new jobs of the future. The MedTech industry already employs 19,000 innovators, experts, researchers, manufacturers, and medical technicians, and the pro-growth policies set out in this year's Budget will further support the industry's growth and capabilities in Australia.

The Budget also addresses the harsh realities of a once in a 100-year global pandemic, which has sadly claimed the lives of 894 of our fellow Australians. However, unlike many other countries around the world, Australia's successful response in handling the COVID-19 pandemic is thanks, in no small part, to the outstanding collaboration between governments and the MedTech industry which rose to the occasion, supplying 7,500 ventilators, over 7.7 million COVID-19 tests and other essential medical equipment.

In August, MTAA submitted to the Government 18 policy priorities to supercharge Australia's COVID-19 recovery. Today we welcome the Government's adoption of, in full 3 policies and in part, a further 4 policies.

MTAA's budget submission recommended the Government upgrade the Therapeutic Goods Administration's (TGA) IT Systems. With the Morrison Government's announcement of \$12 million, this will now become a reality. The digital transformation of the TGA will ensure that they can fulfil their role, including performing activities such as applications tracking and status transparency. It will also provide information in a usable format and improve the ability to search and link various TGA databases. MTAA CEO, Mr Ian Burgess, said "The TGA IT systems were from 1998, and hampered interactions between the MedTech industry and the TGA. This investment in upgrading the system will ensure the TGA is best able to approve life-changing and lifesaving medical technology innovations."

This evening's Budget also solidified the Government's earlier announcement of a comprehensive energy policy. MTAA called on the Government to develop an all-inclusive energy policy with a particular focus on the needs of manufacturing with an aim to provide long term certainty and lower energy costs.

"This Budget provides a solid foundation for energy pricing, we know this could give MedTech manufacturers the prices they need to manufacture lifesaving and life-changing medical devices in Australia," Mr Burgess said.

The announcement of the \$1.5 billion Modern Manufacturing Strategy is a clear indication of the

Government's commitment to ensuring Aussie Manufacturing, particularly MedTech, can continue to be a global leader.

"More than half of Australian medical device companies have grown from local start-ups, so this budget will make an important impact where it is needed most, shoring up Australia's MedTech innovators now and into the future," Mr Burgess said.

The Treasurer also announced home and community-based care reforms allowing alternative care pathways when clinically appropriate. This will include mental health and general rehabilitation services, including orthopaedics. Home and community-based care was a key recommendation in MTAA's pre-budget submission.

Mr Burgess said "Tonight's announcement of further support for home and community-based care comes after sustained advocacy from MTAA. MTAA hope the proposed changes will ensure Australian's can receive the care they need it, where it best suits them."

This Budget included \$3.3 billion for the COVID National Medical Stockpile. MTAA's Pre-budget Submission recommended government replenish and further build the National Medical Stockpile with a portion of locally manufactured essential items. This includes \$9.2 million for increasing onshore mask manufacturing capability.

The Government also announced a total of \$2.4 billion in telehealth services. MTAA provided an extensive recommendation to Government calling upon Government to continue to reimburse telehealth services after the COVID-19 pandemic subsidies.

"During COVID-19 the Government asked MedTech to supply 7,500 ventilators, the MedTech industry did this. Today this has been recognised with 7 budget submission recommendations included in this evening's Budget" Mr Burgess said. "This evening's budget will help to improve Australians' access to innovative Medical Technology."

MTAA supports the measures the Treasurer has today outlined, which, we believe, will improve Australians access to the best and latest medical technologies they need and can distribute these to the world.

ENDS

Media contact: Edward Strong | 0437629884 | estrong@mtaa.org.au

Did you know?

1. The medical technology industry currently employs more than 19,000 people.
2. The industry is highly skilled with over 52% of employees having a tertiary qualification, and 25% having a postgraduate qualification.
3. More than half of Australian medical device companies have grown from start-ups. 40% of all medical device businesses have been established since 2000.
4. In 2013-14, Australia exported medical devices to 167 different countries around the world for a total value of \$2.1 billion.
5. Medical technology (7.76%) is second only to Civil Engineering (8.5%) and pharmaceuticals in third (6.3%) when it comes to filing patents for innovative technology.

About MTAA

The Medical Technology Association of Australia (MTAA) is the national association representing companies in the medical technology industry. MTAA aims to ensure the benefits of modern, innovative and reliable medical technology are delivered effectively to provide better health outcomes to the Australian community.

MTAA represents manufacturers and suppliers of medical technology used in the diagnosis, prevention, treatment and management of disease and disability. The range of medical technology is diverse with products ranging from familiar items such as syringes and wound dressings, through to high-technology implanted devices such as pacemakers, defibrillators, hip and other orthopaedic implants. Products also include hospital and diagnostic imaging equipment such as ultrasounds and magnetic resonance imaging machines.

MTAA members distribute the majority of the non-pharmaceutical products used in the diagnosis and treatment of disease and disability in Australia. Our member companies also play a vital role in providing healthcare professionals with essential education and training to ensure safe and effective use of medical technology.