



## **COVID VACCINES: TIME FOR AUSTRALIAN MANUFACTURING TO STEP UP**

EMBARGOED UNTIL 12:01am Monday 25 April 2022

AUSTRALIA “could and should” set itself up to supply not only itself but the region with all future vaccine and essential drug needs, according to the authors of a Perspective published today by the Medical Journal of Australia.

Professor Martin Hensher, the Henry Baldwin Professorial Research Fellow in Health System Sustainability at the Menzies Institute for Medical Research, and Mrs Sithara Wann Arachchige Dona, an Associate Research Fellow at Deakin University, wrote that such a move would be “an enduring and positive legacy of COVID-19, and one that appropriately honours the scientific achievements the pandemic has brought forth”.

One of the consequences of the COVID-19 pandemic has been the rapid development and distribution of vaccines. With only a few corporations controlling those vaccines and their supply, Hensher and Dona identified some “emerging concerns”.

“What are the economic consequences of limited, monopolistic or (strictly) oligopolistic supply of vaccines by only a few firms in a ‘captive market’, in which not only must vaccination be repeated periodically but individuals may also face mandatory vaccination requirements?” they asked.

“Australia and other high and middle-income nations are currently at grave risk of remaining hostage to a market captured by a small number of manufacturers.

“Vaccine mandates (ie, mandatory vaccination requirements to allow participation in employment or other social and economic activities) introduce a level of compulsion to the demand for vaccines which is rarely encountered in other medical interventions.

“We find ourselves in a situation of potentially open-ended clinical need for vaccine boosters, which might become amplified by state-enforced, mandatory requirements for repeated vaccination for large populations in some jurisdictions, while low income countries still struggle to make meaningful progress towards initial vaccination.”

Hensher and Dona made some suggestions for actions the Australian Government could, and should, take to combat the downsides of vaccine oligopolies.

“The Australian Government must ‘squeeze every drop’ of vaccine value from existing contracts and insist on executing mechanisms to redistribute unused or unneeded capacity to lower income nations,” they wrote.

“Australia should lead a coalition of high and lower income governments to create an environment in which manufacturers must increasingly choose between working as partners in jointly owned public and private missions or as monopolistic adversaries bearing consequential risks.

“Australia should vigorously drive an Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) waiver to open up all vaccine intellectual property as the most desirable outcome in the short term.

“Urgent government financing and infrastructure support for new vaccine development by not-for-profit operations, and the establishment or expansion of more publicly owned, not-for-profit manufacturers, such as mRNA Victoria [is critical],” they wrote.



"The expansion in manufacturing capacity required to meet a protracted COVID-19 threat offers an extraordinary opportunity to establish stronger essential vaccine and pharmaceutical capabilities throughout the world, under public, not-for-profit ownership, for all major diseases, not just COVID-19.

"A distributed, locally owned manufacturing system will build not only stronger local technical capability but also much greater resilience in a world of climate-disrupted supply chains.

"Indeed, Australia could and should set itself the mission of being able to supply our region's vaccine and essential drug needs for the future. It would be an enduring and positive legacy of COVID-19, and one that appropriately honours the scientific achievements the pandemic has brought forth," Hensher and Dona concluded.

All MJA media releases are open access and can be found at: <https://www.mja.com.au/journal/media>

**Please remember to credit *The MJA*.**

The *Medical Journal of Australia* is a publication of the Australian Medical Association.

---

*The statements or opinions that are expressed in the MJA reflect the views of the authors and do not represent the official policy of the AMA or the MJA unless that is so stated.*

CONTACTS:

Prof Martin Hensher  
Research Fellow  
Menzies Institute for Medical Research  
University of Tasmania  
Ph: 0401 301 321  
Email: [m.c.hensher@utas.edu.au](mailto:m.c.hensher@utas.edu.au)