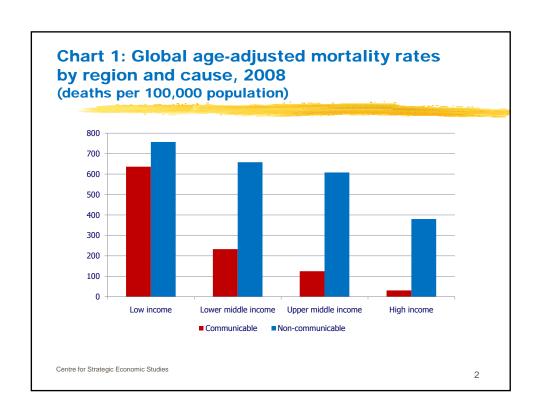
Reforming Health Through Innovation: A Global Challenge

Presentation to the Australian Ambassador's 2011 Speaker Series - Charts and Tables

Australian Embassy, Washington, 26 May 2011

Professor Peter Sheehan

Director, Centre for Strategic Economic Studies, Victoria University, Melbourne APEC LSIF Co-Chair (Academic)



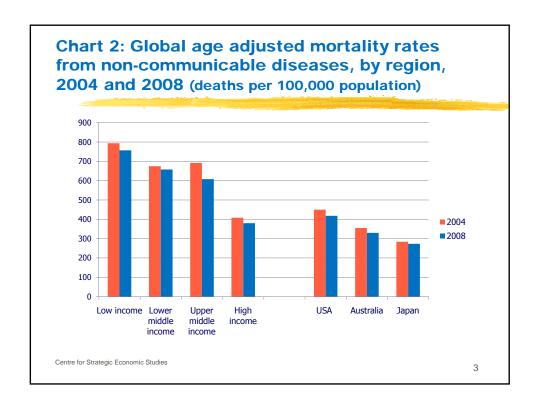


Table 1. Components of Comprehensive Wealth

- Natural capital (resources and environment)
- Human capital (education and embodied knowledge)
- Reproducible capital (physical assets)
- Health capital (health and lifespan)

Source: Arrow et al, 2010

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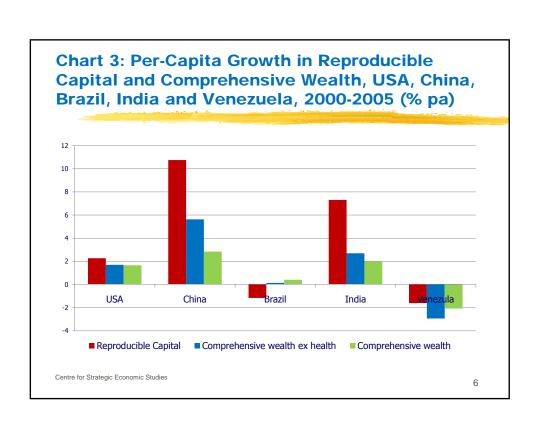
Table 2: Growth in Components of Real Per-Capita Comprehensive Wealth: USA, China, Brazil, India and Venezuela, 2000-2005 (% pa)

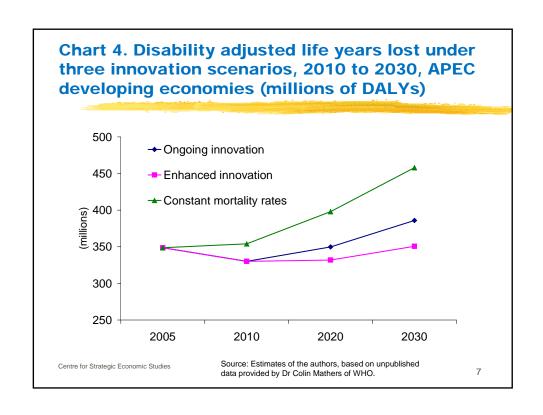
	Elements of Comprehensive Wealth					
			11 11	D 1 111	.	
	Natural	Human	Health	Reproducible	Total	
USA	-1.1	0.4	0.2	2.3	1.7	2.9
China	-1.0	1.1	0.1	10.8	2.8	7.6
Brazil	-2.0	1.4	0.3	-1.2	0.4	0.5
India	-0.2	3.0	0.2	7.3	2.0	4.0
Venezula	-2.6	0.2	0.1	-1.6	-2.1	-1.2

Source: Arrow et al 2010

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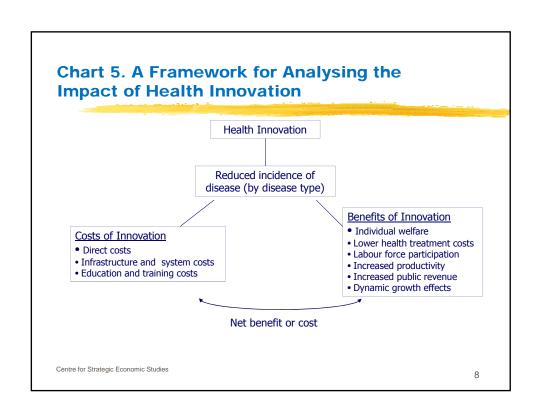


Table 3. Costs and benefits of increased innovation, enhanced innovation relative to constant mortality rates, 2010 to 2030, APEC developing economies

	2010	2020	2030
Levels of costs and benefits	(share of GDP, %)		
Cost of Innovation	0.34	0.54	0.52
Benefits of Innovation			
Economic benefits			
Reduction in treatment costs	0.31	0.74	1.13
Labour force and productivity	0.33	1.57	2.68
Individual health benefits ³	1.04	2.71	4.24
Total benefits	1.69	5.02	8.05

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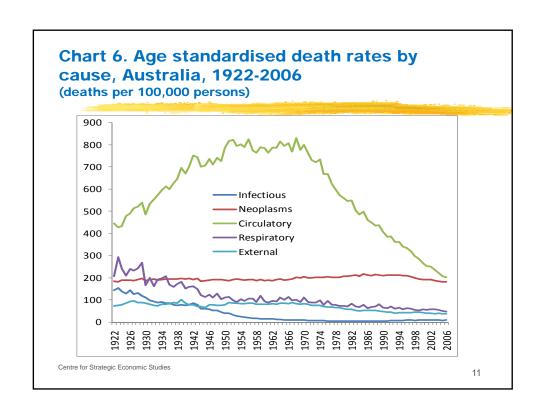
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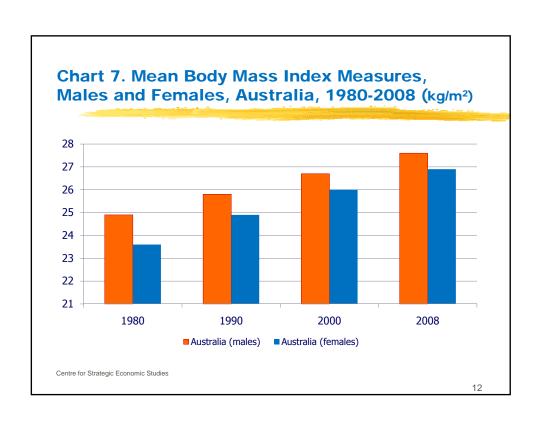
Table 4. Benefit/cost ratios, enhanced innovation relative to constant mortality rates, 2010 to 2030, APEC developing economies

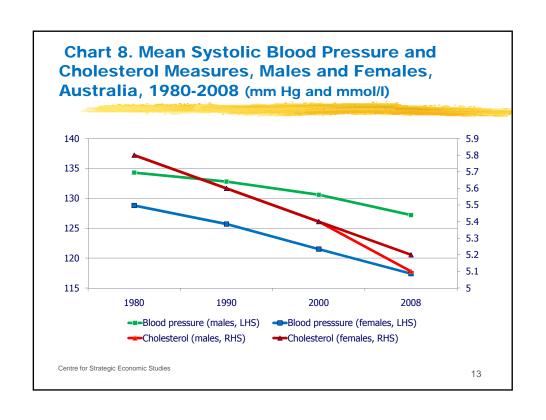
Benefit/cost ratio	2010	2020	2030
Economic benefits			
Reduction in treatment costs	0.9	1.4	2.2
Labour force and productivity	0.9	2.9	5.2
Individual health benefits	3.1	5.0	8.1
Total benefits	4.9	9.3	15.4

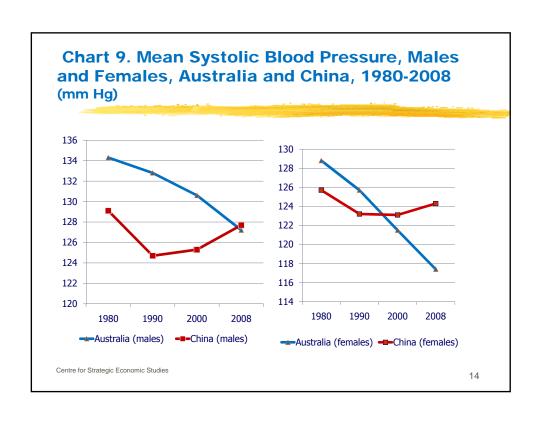
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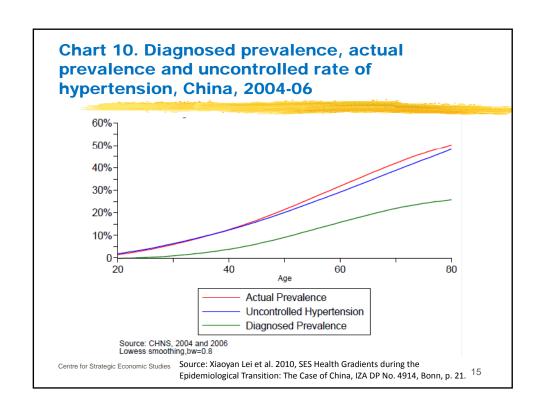
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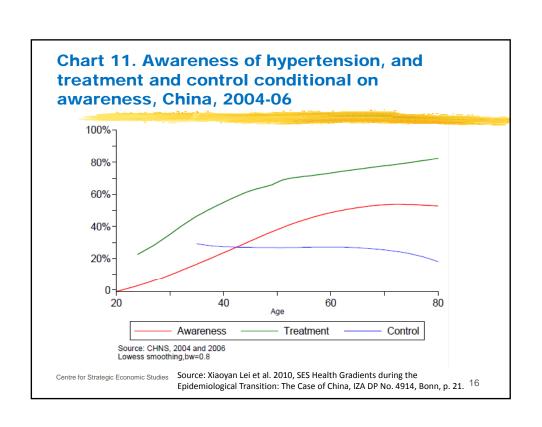












Neglected Tropical Diseases

- Neglected tropical diseases (NTDs) are a group of 13-14 chronic parasitic and related infectious diseases:
 - —The most common infections in developing countries
 - Ancient conditions having affected humankind for thousands of years.
 - Disproportionately affect the world's poorest people.
 - Subsistence farmers & families
 - Urban slum dwellers
 - Often cause high morbidity and disability but low mortality conditions.
 - Promote poverty and interfere with economic development.

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Table 5. Major NTDs in South East Asia

<u>Disease</u> <u>infected</u>	Number of Cases	% SE Asia
	227 111	4007
Ascariasis	227 million	40%
Trichuriasis	200 million	36%
Hookworm	150 million	26%
Lymphatic filariasis	<15 million	3%
Opisthorchiasis	10 million	2%
Trachoma	2 million	<1%
Schistosomiasis	<1 million	<1%
Leprosy	<1 million	<1%
Amebiasis/Enterics	Not Determined	
Dengue fever	Not Determined	
Japanese encephalitis	Not Determined	
Melioidosis	Not Determined	

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Sabin Vaccine Development

- Sabin Vaccine Development, with George
 Washington University and international partners,
 is making the vaccines for which market returns
 do not exist to attract pharmaceutical companies.
- Drawing on 10 years of R&D experience, Sabin Vaccine Development has created a comprehensive, relatively low-cost model that serves as a blueprint for vaccine development.

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Sabin Vaccine Development Proposal: Indonesia

- To establish the first facility in Indonesia for producing a new neglected tropical disease vaccines.
- To develop and test vaccines for the most common infections of the poorest people living in Indonesia and elsewhere in SE Asia.

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