

# Canada decides, at last, to increase spending on AIDS

**Quebec.** Canada will increase AIDS spending in the next five years by 13 per cent in a decision that came just days before the end of funding for the current five-year plan for a national AIDS strategy.

The increase from C\$37 million (US\$30 million) to C\$42 million announced last week falls short of the C\$55 million requested by AIDS groups, but it relieves some of the anxiety caused by the government's failure to announce its plans earlier. Health Minister Benoit Bouchard had previously told the AIDS groups without explanation that their demand was unrealistic.

Despite the increased funding, there is sharp criticism of the government's approach to the crisis, which has seen the number of AIDS cases double in the past three years to about 12,000.

"Canada's government spends per HIV person about 40 per cent of what the US and Australia each spend", says epidemiologist Martin Schechter of the University of British Columbia, a prominent AIDS researcher and member of a Royal Society of Canada panel that in 1988 carried out a study requested by the federal health department. "The Royal Society report recommended spending \$80–\$100 million a year. The government's figure of \$42.2 million doesn't appear to be based on any kind of rational approach to the problem."

Money for AIDS research comes through a dedicated funding initiative authorized by the cabinet. It is distributed through various arms of the health department and the Medi-

cal Research Council of Canada (MRC). MRC devotes part of its own budget to AIDS research and training and has spent C\$13 million over the past five years.

The new five-year plan includes C\$17.8 million a year for "research and epidemiological monitoring", C\$6.2 million for education and prevention, C\$9.8 million for community development and support to nongovernmental organizations, C\$5.4 million for care, treatment and support and C\$1.5 million for coordination and collaboration.

The leader of Canada's clinical trials programme, Julio Montaner of St Paul's Hospital in Vancouver, is concerned about the country's ability to compete for the latest experimental drugs if there are insufficient funds for new clinical trials. Montaner has pointed out that similar groups in the United States, Australia and Europe "have resources several times greater than ours" and thus are more attractive to companies that want to test their products.

The health department said the second phase of its AIDS strategy will place greater emphasis on five areas that emerged last summer after consultations with activists: partnerships among federal, provincial and international agencies and private groups; recognizing HIV disease as a chronic and progressive condition; promoting health for people with AIDS and HIV; creating supportive social environments and promoting and sustaining healthy behaviour.

**David Spurgeon**

# Italy resolves fight on space funding

**Munich.** A two-year fight over how much Italy's space agency ASI should give to basic science was resolved last week, freeing millions of dollars held hostage by the dispute.

The controversy hinges on an interpretation of a requirement that 15 per cent of ASI's total budget, which this year is IL800 billion (US\$500 million), should go towards fundamental research. ASI's president Luciano Guerriero believes that ASI's contribution to the European Space Agency should be counted in that percentage, which this year amounts to IL120 billion, but Remo Ruffini, chairman of ASI's grant reviewing committee, wants the share to be assessed from the whole budget and has emphasized his point by blocking all grant approvals (see *Nature* 356, 647; 1992).

A committee of scientists that was asked last month to resolve the issue (see *Nature* 361, 675; 1993) has sided with Guerriero, agreeing that the 15 per cent should include the portion of ASI's IL602 billion contribu-

tion to ESA that goes to basic science. This year that amount is IL112 billion, according to ESA president Jean-Marie Luton, leaving only IL8 billion for national projects.

The committee believes that it is unwise to give money to ESA but not to spend enough to reap the benefits of its contribution — that is, scientific payloads on ESA missions. Its recommendation for an additional IL40 billion for this purpose has been accepted by ASI and the ministry of research.

Franco Paccini, a member of the grant reviewing committee, calls the compromise "sensible and reasonable", but not everyone is satisfied. Ruffini believes that science has been shortchanged, and Riccardo Giacconi, head of the European Southern Observatory, has complained in a letter to the research minister that the agreement effectively cedes control over Italy's national research budget to the member states of ESA.

**Alison Abbott**

# Amersham to pay £50 million for US Biochemical

**London.** Amersham International plc, the British health sciences group that was privatized in the early 1980s, is to buy United States Biochemical Corporation (USB) in Cleveland, Ohio, in an attempt to become a leader in the field of DNA sequencing products. The purchase price is just short of £50 million (US\$69 million).

The merger of the two companies will bring together Amersham's manufacturing and marketing experience in radioisotopes and molecular labelling, particularly in Europe and the Far East, and USB's strong research base in the enzymology of DNA sequencing and its knowledge and experience of the US market. Amersham's life science division had a turnover last year of £92.7 million, a third of the company's overall sales, while USB had sales last year of \$25 million.

USB, founded and still led by Thomas Mann, was already a major supplier of biochemicals and enzymes to the US life science industry when in the early 1980s it made a major commitment to molecular biology. In particular, two members of its scientific advisory board — Charles Richardson and Stanley Tabor of Harvard University — developed the enzyme Sequenase, which occupies a dominant position in the sequencing reagent market. USB holds the exclusive licence to the patent on the enzyme, which is owned by the university.

Amersham was originally part of the UK Atomic Energy Authority, supplying radioisotopes for research, and was one of the first companies privatized by Margaret Thatcher, the former prime minister. In recent years it has expanded into molecular biology, and it expects the merger with USB to give it a major slice of the sequencing market, now estimated to be worth \$100 million a year.

The British company is particularly interested in tapping into the growing demand for automated sequencing. Company officials point out that political and scientific interest in large-scale sequencing initiatives such as the Human Genome Project have led to growing pressure to reduce costs and to increase the productivity of sequencing procedures.

Its strategy assumes that no radical innovations in the technology of sequencing are likely for several years and that the best approach at present is to increase the effectiveness of the reagents used with current sequencing techniques. The acquisition of USB's portfolio of patents and patent applications for enzymatic nucleic acid sequencing forms a core element of this strategy.

**David Dickson**