

Media Release

June 1, 2011

Health organisations oppose any change to Pharmac

A wide range of New Zealand health professional organisations have voiced their opposition to any changes to current intellectual property and patent provisions concerning medicines being included in the Trans-Pacific Partnership Agreement (TPPA). New Zealand and six other countries are currently negotiating this free trade agreement with the United States (US).

Such changes have the potential to affect the ability of New Zealand's bulk drug purchasing agency, Pharmac, to buy low cost generic medicines for New Zealanders or to push up the price of medicines.

Pressure from pharmaceutical industry lobbyists is mounting on US president Barack Obama to ensure better terms for multi-national drug companies, making the production of cheaper generic drugs far more expensive.

"Pharmac's power to purchase bulk and generic medicines has saved the New Zealand health system millions of dollars and enabled New Zealanders with chronic conditions such as asthma to live longer and better lives. Pharmac has also developed very good processes to test the cost-effectiveness of new pharmaceuticals. We don't want these significant benefits to New Zealand and New Zealanders to be negotiated away to secure a free trade agreement," NZNO chief executive Geoff Annals said.

He was also critical of the secrecy surrounding the negotiations and the fact the text of any TPPA would not be released until it had been finally signed off.

The Royal New Zealand College of General Practitioners (RNZCGP) also wants Pharmac to continue in its present form. "Pharmac is saving New Zealanders a considerable sum of money in tough times and doctors don't want that to change. There is widespread support for Pharmac and the gains it has made over recent years and that's been to the benefit of all New Zealanders. The money Pharmac saves is able to be reinvested in other health services. We are very keen to ensure these gains are maintained," RNZCGP president Dr Harry Pert said.

Executive director of the New Zealand College of Midwives (NZCOM) and a former Pharmac board member, Karen Guilliland, said the Health Ministerial Review Group's Report (the Horn Report) was unequivocal in its endorsement of the national health and economic benefits of Pharmac. "It is difficult to strike a balance between arrangements that will encourage innovation and access to new medicines while maintaining countries' autonomy in setting their health directions and budget. We believe we've got that balance right with Pharmac and we wouldn't want that to be interfered with.

"It is essential our patients and our country continue to reap the benefits of cheaper generic drugs. Pharmac has been an outstanding success, saving an estimated \$1 billion a year on the purchase of drugs. Why would we agree to losing those benefits to mollify the American pharmaceutical lobby?" Guilliland asked.

The Association of Salaried Medical Specialists (ASMS) believes any changes to current arrangements must be based on hard evidence. "No evidence has been presented that supports any changes. What evidence there is suggests that it makes no economic sense to extend drug patents beyond 20 years," executive director Ian Powell said.



Other health professionals groups opposed to any changes to Pharmac as part of the TPPA negotiations include the New Zealand Society of Anaesthetists, the Public Service Association, Physiotherapy New Zealand, the College of Nurses Aotearoa and the New Zealand Association of Optometrists.

All these health professionals believe it is important the New Zealand public understands what is at risk if Pharmac is not allowed to continue under the terms of the TPPA.

The National Affiliates Council of the Council of Trade Unions has also given its backing to Pharmac. A resolution, passed unanimously at its meeting last week, called on the Government to confirm "its unequivocal support for the continuation of Pharmac. . . . Pharmac must not be used as a bargaining concession in any free trade negotiations," the resolution stated.

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New Zealand Nurses Organisation

The New Zealand Nurses Organisation (NZNO) is the leading professional body of nurses and nursing union in Aotearoa New Zealand, representing more than 45 000 nurses and health workers. Te Runanga o Aotearoa is the arm through which our Te Tiriti o Waitangi partnership is articulated. Our members include nurses, midwives, students, kaimahi hauora, health care workers and allied health professionals.

The NZNO vision is "Freed to care, Proud to nurse". Our members enhance the health and wellbeing of all people of Aotearoa New Zealand and are united in their professional and industrial aspirations.