

MEDIA RELEASE

Government acknowledges PBS growth is in decline

The Budget has confirmed that growth in spending on the Pharmaceutical Benefits Scheme (PBS) is at its lowest level in more than a decade, demonstrating that the Governments reforms of the PBS have significantly curtailed its growth, the CEO of Medicines Australia said tonight.

The Government now has a once in a generation opportunity to sit down with all stakeholders to create a 21st century PBS that guarantees access to the breakthrough medicines currently in development for debilitating and life-threatening conditions afflicting so many Australians.

The 2006-07 Commonwealth Budget shows that growth in spending on the PBS during 2005-06 is now below Australia's economic growth.

Growth in spending on the PBS is now lower than all other major parts of the health budget – including public hospitals, Medicare and the 30% Private Health Insurance Rebate.

“The Government has created a platform upon which the current PBS reform process can create an environment ensuring all Australians gain access to the medicines they need,” said the Chief Executive Officer of Medicines Australia, Mr Kieran Schneemann.

“Medicines Australia is committed to working with all stakeholders and importantly with Government, to put in place the policies required to meet the important objective of ensuring affordable and timely patient access to medicines that they need when they need them.”

“The challenge is to take advantage of the new era and consider reforms that look to the future and create a 21st century PBS, where the Scheme is regarded as an investment in the health of the community, not a cost,” Mr Schneemann said. “This should be done in a considered way now that reforms are clearly managing PBS growth.”

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