

# MEDIA RELEASE

## Government's Comments on PBS Reform Welcome

Medicines Australia welcomes today's comments by the Minister for Health and Ageing, Tony Abbott, that any reform of the Pharmaceutical Benefits Scheme (PBS) will not disadvantage patients.

Mr Abbott told media today that the Government "*won't put any changes in place unless we're confident that they can be made in ways which are consistent with good health outcomes*".

The innovative pharmaceutical industry believes that with spending on the PBS now falling in real terms, carefully considered reform must lead to better health outcomes, not worse.

"The PBS has served all Australians very well for almost 60 years. Reform is important so long as it is focussed on ensuring the PBS continues to serve the interests of all Australians as well in the 21st century," said the Chief Executive Officer of Medicines Australia, Mr Kieran Schneemann.

Recent revisions in the expected cost of the PBS have delivered the Government significant savings in their PBS expenditure. Revisions in 2004-05, 2005-06 and 2006-07 have totalled \$952 million.\*

The \$426 million downward revision in the expected cost of the PBS for 2005-06 is on its own almost \$80 million more than the Government expects to spend on Aboriginal and Torres Strait Islander Health in 2005-06.

"Medicines Australia shares the Minister's view that the significant savings in forecasts for the PBS can be used to create headroom for innovation. At the same time, they will support ensuring the delivery of medicines to those in most need, including Australians living in nursing homes," Mr Schneemann said.

\*Source: Budget 2006-07, Budget Paper No.1, General government expenses, Reconciliation of expenses since the 2005-06 Budget, Health, Table 8. Summary of Expenses.

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