DTCA not real advertising issue


My recent article acknowledged that DTCA was of concern to PHARMAC but said that it is able to manage the financial risks. PHARMAC’s subsequent letter to the NZMJ provides more detail but failed to disprove that statement.

The fact that the pharmacy budget of $528 million for the year 2002 was under spent by $24 million, and the fact that PHARMAC, between 1993 and 2002, held the annual average increase to below 3%, compared with Australia’s 14% for the same period, is evidence the organisation has very effective control over expenditure.

DTCA is no more than a management issue for PHARMAC and is not worth the amount of attention it is being given by the Government.

Whether there are drugs that are more expensive but no better than cheaper alternatives will not always be a clear-cut matter. But where this is true, it is hard to understand why PHARMAC would ever subsidise the more expensive option. This would seem to be a very unwise practice.

The real advertising issue is the lack of promotion of healthy living, including products or services that will improve the health of New Zealanders. The LTSA has saved lives and eased pressures on the health vote through its road-safety programme. I am less conscious of similar government-funded campaigns for healthy living, and medicines and treatments to reduce ailments such as heart disease.

PHARMAC said I had a conflict of interest ‘including funding he receives from the pharmaceutical industry’. I do not and cannot recollect ever acting for a pharmaceutical company. I assume that PHARMAC must have confused me with a partner of mine who has acted for the industry. The four consultants here operate totally independently, in a manner similar to barristers in chambers. Clients are particular to the consultant, not the company.

Unlike the good professors and PHARMAC, the taxpayer does not fund me. The relevant clients with this exercise have been the Advertising Standards Authority for my original report, and in the case of the NZMJ article the Association of New Zealand Advertisers. The views expressed in the article, however, are mine alone.

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References:
