96

HEALTH + DISEASE -
Pharmacists
May 1975 - 31-12-80

Hansard

WEDNESDAY, 5 MARCH 1980

[Translated translated version.

62. Mr. N. E. WOOD asked the Minister of the Interior:

What are the salary scales laid down for (a) White, (b) Coloured, (c) Indian and (d) Black (i) doctors, (ii) dentists and (iii) pharmacists in State and provincial hospital services?

The MINISTER OF THE INTERIOR:

(a) to (d)

Rank	Salary Scale (R.p.a.) White	Coloured/ Indian	Black
(i) Doctors			
Chief Specialist / Professor ..	21 300 (fixed)	21 300 (fixed)	21 300 (fixed)
Principal Specialist	19 500 (fixed)	19 500 (fixed)	19 500 (fixed)
Senior Specialist	18 000 (fixed)	18 000 (fixed)	18 000 (fixed)
Principal Medical Officer	18 000 (fixed)	18 000 (fixed)	18 000 (fixed)
Specialist	17 400 (fixed)	17 400 (fixed)	17 400 (fixed)
Senior Medical Officer	17 400 (fixed)	17 400 (fixed)	17 400 (fixed)
Medical Officer	10 320-16 800	9 480-16 800	8 640-15 600
(ii) Dentists			
Principal Dentists	18 000 (fixed)	18 000 (fixed)	18 000 (fixed)
Senior Dentist	17 400 (fixed)	17 400 (fixed)	17 400 (fixed)
Dentist	10 320-16 800	9 480-16 800	8 640-15 600
(iii) Pharmacists			
Principal Pharmacists	12 600-15 000	11 580-13 800	10 740-12 600
Senior Pharmacists	10 320-11 580	8 640-9 900	7 200-8 220
Pharmacists	6 900-9 480	6 000-7 800	4 950-6 600

HANSARD 14 Q. 945 -

13 May 1975

University of Western Cape: Pharmacy students

*13. Mr. L. F. WOOD asked the Minister of Coloured, Rehoboth and Nama Relations:

How many students at the University of the Western Cape (a) registered for each of the first, second, third and fourth year courses in Pharmacy in 1974 and 1975, respectively, and (b) graduated as pharmacists in 1974.

†The MINISTER OF COLOURED, REHOBOTH AND NAMA RELATIONS:

(a) 1974: 49; 8; 17; 5.

1975: 36; 14; 15; 7.

(b) 7.

ANSWERED 15

QR . 996-7

20 May 1975.

+. Educ: Univ

2. 96

University of Durban-Westville: Pharmacy students

314. Mr. L. F. WOOD asked the Minister of Indian Affairs:

(1) How many Indian students at the University of Durban-Westville (a) registered for each of the first, second, third and fourth year courses in Pharmacy in 1974 and 1975, respectively, and (b) graduated as pharmacists in 1974;

(2) whether the enrolment of pharmacy students is subject to a quota intake; if so, (a) what is the quota for each year of the course and (b) what is the reason for the quota.

The MINISTER OF INDIAN AFFAIRS:

(1) (a) First-year: All prospective pharmacy students enrol for the pure B.Sc. course in their first year and are thereafter selected for the second year B.Sc. pharmacy course.

	1974	1975
Second year	15	19
Third year	20	12
Fourth year	29	21

(b) 24.

(2) Yes.

(a) An average of 12 new students in their second year of study to allow for students repeating their second and later years.

(b) The availability of laboratory space.

7/8/75

Unethical prices for ethical drugs?

Against the background of a Government decision to investigate "possible monopolistic conditions in the supply and distribution of pharmaceutical products" in South Africa, JOHN IMRIE looks at some of the drug price scandals in other countries.

Indian pharmaceutical prices (dollars per kg)

	India	Europe
Chloramphenicol	47,62	[illegible],50
Prednisolone	1 593,00	55[illegible],00
Chloroquine phosphate	39,86	1[illegible],50
Streptomycin	39,35	[illegible],00
Tetracycline	113,39	2[illegible],00
Vitamin C	9,70	[illegible],40
Vitamin A (price per 1 000-m units)	52,16	[illegible],00

Indian regulated pharmaceutical prices were found to be on average 357 per cent higher than European prices.

Multinational and "Other" Firms

Chemical Name	Trade Name	Price per kg in US $ "Other"	Multinational
Chlordiazepoxido	Librium	$ 10,90 — 20,00	$ 1 250,00
Diazepan	Valium	30,00 — 45,65	2 5[illegible]0,00
Nitrazepan	Nogadon	108,70	2 0[illegible]8,00
Ampicilina	Pentrexil	152,50 — 200,00	4[illegible]0,00
Prometacina	Deinal	17,75 — 21,00	1[illegible]0,00
Indometacina	Indocid	72,50 — 110,00	3[illegible]0,00
Metronidazol	Flagil	11,15 — 14,80	[illegible]8,00
Acetazolamida	Diamox	13,50 — 16,85	5[illegible],00
Furosemida	Lasix	77,00 — 100,00	1 [illegible]7,00
Cloranfenicol	Chloromycetin	13,00 — 15,95	[illegible]0,00

Colombian comparisons show the vast difference in that country between the prices of drugs marketed by big multinational companies and other companies.

BEFORE reading any further, have a glance at the two tables (left) of drug price comparisons.

And now, if you care to do so, breathe a silent prayer for India, and a whole lot of other countries where sickly little health budgets cannot even begin to help millions of diseased and dying people — countries around the world which are being taken for a ride, possibly and even probably including South Africa.

Controversy over high drug prices has erupted periodically over the past decade or so, especially in the United States and Europe, and because human life and suffering is involved together with allegations of exorbitant profits made by powerful companies, the issue has become particularly emotive.

To what extent are the big drug companies culpable of unethical profiteering out of the life-saving ethical drugs which they develop and collectively monopolise?

The companies' stock reply to accusations that they are over-charging is that they are a special case: their research programmes are so costly that they have to charge high prices merely to recoup their outlay.

But if indeed they are a special case, then in the opinion of their number one critic, Charles Levinson, secretary-general of the Geneva-based International Federation of Chemical and General Workers' Unions (ICF) they also "certainly justify special diagnosis".

And this is what he has done in a booklet entitled "The Multinational Pharmaceutical Industry" from which the tw[illegible] tabl[illegible] here have taken.

[illegible] son gives [illegible] examples of [illegible] profit-making [illegible] best known, [illegible] ing the importa[illegible] biotic tetrac[illegible] United States [illegible] tranquillisers [illegible] and [illegible] Am[illegible] monopolies [illegible] the Pfizer [illegible] Cyanamid and [illegible] companies [illegible] of making "eno[illegible] profits on tetracycl[illegible] with 100 capsules [illegible] the manufacturer [illegible] tween $1,59 and [illegible] produce but selli[illegible] druggists for $[illegible] the public for $[illegible].

The manufacture[illegible] nied price collusio[illegible] eventually all five [illegible] panies offered to [illegible] $120-million to cus[illegible] whom they had [illegible] charged.

Librium and Vali[illegible] the brand names [illegible] Swiss company Ho[illegible] LaRoche or chlor[illegible] oxide and diazepa[illegible] June, 1971, The Gu[illegible] newspaper in Britain [illegible] attention to a ca[illegible] Canada in which [illegible] Products, a subsidi[illegible] the Swiss firm, ad[illegible] that although Valiu[illegible] in Canada for $[illegible] kilo, the cost to Ro[illegible] manufacturing the [illegible] material was only [illegible] kilo.

"So that the end [illegible] duct is sold for near[illegible] times the basic cost,' [illegible] mented The Gu[illegible] writer, Peter D[illegible]

Denial

"Even when the [illegible] material is made [illegible] tablets, packaged [illegible] labelled, the total c[illegible] Roche is still less [illegible] $200 a kilo, less th[illegible] 25th of the selling p[illegible]

In September that [illegible] the British Mono[illegible] Commission was ask[illegible] investigate Librium [illegible] Valium. It found th[illegible] these two tranquillis[illegible] £24-million profit [illegible] been made in six [illegible] ordered the compan[illegible] reduce prices by 75 [illegible] 60 per cent and re[illegible] the Government some [illegible] million, which it [illegible] claimed was the am[illegible] overcharged.

[illegible] to Levinson [illegible] of manu[illegible] packaging and [illegible] was $1,76 [illegible] while the [illegible] to the chem[illegible]

[illegible] not allow for [illegible] but even [illegible] per cent for [illegible] is huge.

[illegible] the sus[illegible] Roche impor[illegible] and Valium [illegible] in bulk at [illegible] — so that [illegible] of the pro[illegible] British mar[illegible] outside that [illegible] untry.

[illegible] describes Hoff[illegible] Roche as "one of [illegible] secretive and au[illegible] enterprises in ex[illegible] which grew to be[illegible] biggest pharma[illegible] company in the [illegible] world entirely out of its [illegible] profits.

"It has never gone to [illegible] the private money market [illegible] a single franc of new [illegible] capital since its original [illegible] by a small family [illegible] This is why a share [illegible] now sells for [illegible] high [illegible] price of $23 000."

[illegible]nover

[illegible] give some idea of [illegible] LaRoche's size: [illegible] turnover in pharm[illegible] was $1 250-mil[illegible] and it employs more [illegible] 000 people in 60 [illegible] in 32 countries, [illegible] six large re[illegible] centres, 42 pharm[illegible] factories and 26 [illegible] plants.

[illegible] examples of ex[illegible] profit-making given [illegible] Levinson:

[illegible] the United States [illegible] the Schering Com[illegible] sold chlortemeton [illegible] amine tablets to [illegible] for $20,50 a 1 000 [illegible] the same quantity [illegible] drug could be [illegible] under its generic [illegible] name for $1,40. [illegible] 1 000 Serpasil pills, [illegible] demanded $39,50 [illegible] druggists, though un[illegible] name Reserpine [illegible] available for 80 [illegible]

[illegible] Tetracycline again: [illegible] had been marketed [illegible] years by the Bristol, [illegible] and Cyanamid com[illegible] at 30c a capsule, [illegible] firms were produ[illegible] it at only about 1c a [illegible] — a difference of about 3 000 per cent.

"They were forced to cut the price when some small firms began offering tetracycline to druggists for less than 4c for the same capsule that Bristol call Tetrex. Pfizer offers as Tetracyn and American Cyanamid sells as Achromycin."

● Tranquillisers such as Miltown and Equanil sold to druggists for more than $61 a 1 000 tablets, but the same tablets under the generic name Meprobamate could be obtained for $20.

Harsh

Levinson is particularly harsh about the practice of prescribing the often vastly more expensive brand name drugs rather than the generic versions.

"In the United States nine out of every 10 doctors persist in writing prescriptions under the brand name. A Department of Health, Education and Welfare estimate showed a possible $41,5-million saving on drugs purchased for the elderly in 1966 if doctors had prescribed by generic rather than brand names."

One obvious reason for this is that doctors are deluged by costly promotional literature. It is estimated that in America the industry spends about $3 000 a doctor a year on brand name promotion.

Another charge against branded drugs is that companies attempt to extend the use of their products by training doctors to prescribe in response to symptoms rather than to diagnose fully and by an over-generous definition of the diseases for which each product is said to be effective.

Misleading

How much better are the brand name drugs? Levinson believes that many of the claims made on their behalf in expensive promotional literature are tendentious and often even deliberately misleading.

He cites a review undertaken for the US Food and Drug Administration of 4 300 versions of 2 800 drugs: 11 per cent of the 4 300 products were judged ineffective, 15 per cent effective, 47 per cent possibly effective and 27 per cent probably effective.

Of 2 000 brand name drugs in the sample, 3,8 per cent were judged ineffective compared with 7,7 per cent for the generic ones, and this Levinson sees as giving the lie to claims that the more expensive brand name drugs are safer and more effective.

He says it is little wonder that chemists favour the proprietary or brand names — many chemists stock only these versions — because they work on mark-ups as high as 75 per cent on the wholesale price, and the higher the price the higher their mark-up.

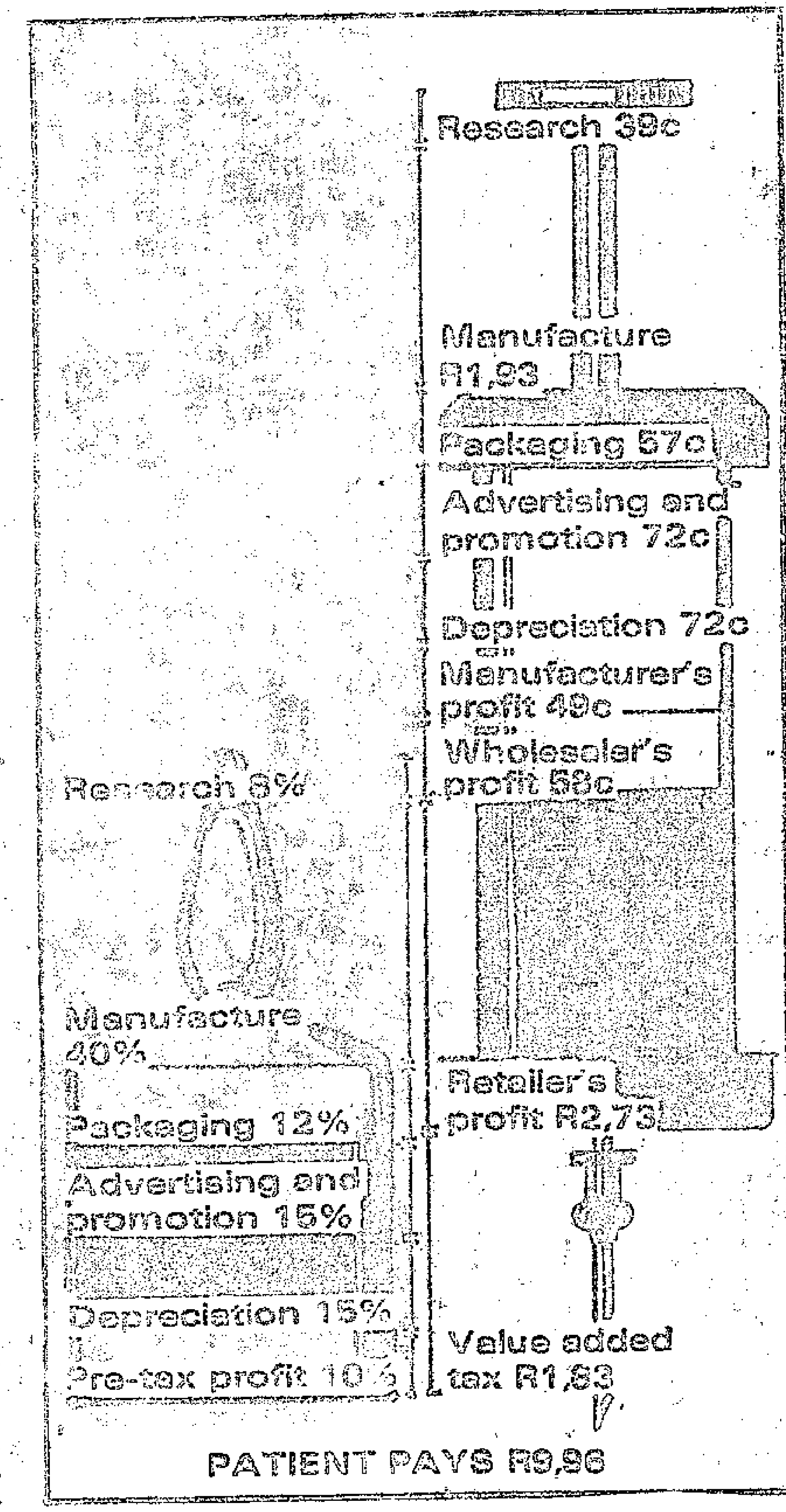
To the pharmaceutical industry's claims that high prices are justified by the long time-scales and the heavy costs of research, Levinson counters:

● The major part of so-called research expenditure does not go into anything like basic re[illegible] justify the industry's eco[illegible] omics, but is spent inste[illegible] on development.

The latter he deems [illegible] be "little more than tin[illegible] ering with dosages, form[illegible] lations and production p[illegible] cesses to get round paten[illegible] and to come up with [illegible] new marketable pro[illegible] sition".

● Research is not pa[illegible] out of profits but is tre[illegible] ted as a normal busine[illegible] expense, with the "hig[illegible] profits being achieved aft[illegible] research costs are dedu[illegible] ted.

The growing tendency [illegible] take no risks in searchi[illegible] the unknown but to co[illegible] centrate on developme[illegible] now that the easy pro[illegible] lems have mostly be[illegible] solved is, he says, causi[illegible] disaffection among you[illegible] researchers who are li[illegible] ited to conducting repe[illegible] tive tests and maki[illegible] valueless modifications [illegible] existing formulae.



The drug manufacturer's cost structure (left panel) showing 8 per cent for research and 27 per cent for packaging and promotion. Right panel: where your money goes in a typical ethical (sold by prescription) drug. The mark-ups are based on French margins.

Disaffection

"The human cost [illegible] drugs that might not n[illegible] be developed because [illegible] go, no-go decisions made [illegible] an early stage on a phi[illegible] sophy of no risk can on[illegible] be guessed at."

All this said, I feel [illegible] necessary to make so[illegible] personal observations. [illegible] though there has been e[illegible] dence of serious pri[illegible] racketeering in the ethic[illegible] drug trade it is difficult [illegible] agree with Levinson th[illegible] the industry's profits in g[illegible] neral are anything mo[illegible] than healthy — in Euro[illegible] they averaged in 19[illegible] about 20 to 25 per ce[illegible] gross before depreciati[illegible] and seven to nine per ce[illegible] net.

Furthermore, pioneeri[illegible] research is risky and a fi[illegible] which takes the plunge a[illegible] succeeds, deserves fina[illegible] cial reward for produci[illegible] a product of great bene[illegible] to mankind, although n[illegible] a licence to make fat pr[illegible] fits indefinitely.

Socialism

In the climate of soc[illegible] lism sweeping throu[illegible] much of the world tod[illegible] virtually any kind of p[illegible] fit is being frowned [illegible] if not even denied, and [illegible] seems to me no wond[illegible] that international com[illegible] nies are tempted to res[illegible] to dubious transfer-prici[illegible] techniques, tax havens a[illegible] other methods to secu[illegible] their profits.

Hoffman-LaRoche [illegible] a[illegible] the other big compan[illegible] have produced life-savi[illegible] medicines, and if the [illegible] centive is in large m[illegible] sure money it should [illegible] vertheless not be killed [illegible] — even though some mig[illegible] consider it a distasteful [illegible] radox that public hea[illegible] should depend so larg[illegible] on private profit.

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F.M. 30/5/21 (96

PHARMACISTS
Platteland problems

The Pharmaceutical Society has at last acknowledged perhaps the most serious problem facing the profession — the maldistribution of the 2 000 registered retail pharmacists throughout the country. It has set up an executive committee to look into the matter.

At present most of the 200 new White pharmacists registering with the Pharmacy Board each year set themselves up for business in the lucrative urban areas where the need is comparatively small. For example, Reuben Birin, the outgoing president of the Society says that, in one outlying area of the Western Cape with a Black population of one million, there are only 17 pharmacists.

Until this imbalance is righted there can be little justification for the Society's condemnation — at its Port Elizabeth congress last week — of so-called trading doctors who dispense medicines.

The pharmacists allege that these doctors cut into the business of dispensing pharmacies, but in most areas — largely rural — where this is general practice, there simply aren't enough pharmacies to pick up the slack.

At the same time the pharmacists are buffeted with fears of competition from supermarkets

However, the Pharmacy Act of 1974 would seem to close that door — providing, as it does, that no new corporate bodies can be registered to go into the retail prescription dispensing business.

Basically, though, the problem of the pharmacy profession is less one of competition than the balance of medicine availability throughout the country.

While the Society's establishment of an executive committee to study this topic is to be welcomed, urgent action is necessary.

Especially regrettable is the miniscule number of Black pharmacists registering with the Board each year. Since 1970 the yearly average has been three.

Question.....
Write on both sides of the paper

Do not write in this margin

(96)

Irish pharmacy degrees shock

20/7/75

Tribune Reporter

IN A SURPRISE move, the South African Pharmacy Board has told the Pharmaceutical Society of Ireland it will not recognise Irish qualifications from the end of 1977.

The decision is a repeat performance of the rejection by Britain of South African pharmacy degrees in 1968.

The South African agreement means that degrees obtained by the current crop of South African pharmacy students in Dublin will be recognised. But unless Ireland changes from a three- to a four-year course, this recognition will cease from December 31, 1977.

Board to probe medicine firms

Natal Mercury 11/8/75

PRETORIA — The Minister of Economic Affairs, Mr. J. C. Heunis, has ordered an investigation into the existence of monopolistic conditions in the supply and distribution of pharmacentical products.

In a statement issued here yesterday, the Minister said this step has been taken as a result of a considerable number of complaints.

They alleged that there were restrictions on competition in respect of the supply and distribution of pharmaceutical products.

The Minister said: "I have on various occasions in the past emphasised that the Government attaches great importance to the maintenance of healthy competitive conditions in the national economy as a means of keeping prices to the consumer as low as possible.

"The Government will not hesitate to take the necessary steps to achieve this.

"As a result of a considerable number of complaints, I have now instructed the Board of Trade and Industries to undertake an investigation, in terms of the Regulation of Monopolistic Conditions Act of 1955, into the existence of monopolistic conditions in the supply and distribution of products of the pharmaceutical industry as a whole."

He said a notice will be published in the Government Gazette today.

Interested parties are invited to submit representations and information to the Secretary of the Board of Trade and Industries in Pretoria. — (Sapa,)

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1, 247
2, 22
3, 23
4, 96

Probe Rand Daily Mail 4/9/75 has us in dark

Staff Reporter

MEMBERS OF the Pharmaceutical Society of South Africa say they are still in the dark as to the purpose behind the proposed Government investigation into the supply and distribution of pharmaceutical products.

The Minister of Economic Affairs, Mr Chris Heunis, called last week for the probe into possible monopolies in the drugs industry and into high prices.

The president of the Pharmaceutical Society, Mr William Bannatyne, said from Cape Town yesterday: "I have had discussions with several members of my executive and we are still mystified about the investigation.

"The terms of reference of the inquiry are very wide and general and we don't know what it is aimed at.

SIMILAR

"We are expecting to receive a questionnaire within the next month and will then know whether the investigation is general or specific. At this stage it looks like an inquiry into the whole distribution of medicines."

Mr Bannatyne added that in all previous investigations of a similar nature the pharmaceutics industry had "come out very well."

The announcement of the investigation was welcomed by the Minister of Health, Dr Schalk van der Merwe.

And yesterday, the national president of the Housewives League, Mrs Hope Hughes, said: "We are absolutely delighted about the investigation. We hope that when firms are caught overcharging, strict steps will be taken by the courts so they are found guilty and fined heavily.

"People are frightened to consult doctors these days because they cannot afford the high prices charged for medicines."

Minister suggests probe of medical profession

ARGUS 4/18/75

The Argus Correspondent

PRETORIA. — The Minister of Health, Dr S. W. van der Merwe, has suggested that the South African Medical and Dental Council conducts an inquiry into professional malpractices.

Addressing the first meeting of the council in its newly constituted form, the Minister warned that:

○ The medical profession was becoming increasingly materialistic.

○ The number of cases of malpractice was rising out of proportion to the numerical increase in doctors.

○ Relations between doctors and pharmacists needed urgent attention.

Dr van der Merwe said the composition of the council had been changed to meet changing demands, but the council itself had been evenly divided on whether it should be increased or reduced in size.

GOING WRONG

A problem of primary concern was the image of the profession. The traditional doctor-patient relationship was in the process of serious erosion and, in the eyes of the public, the profession was becoming more and more materialistic.

The Minister said the increasing number of disciplinary investigations was becoming a source of concern. It appeared that the number of cases of malpractice was rising disproportionately and that somewhere something is going wrong.

'I am forced to ask myself whether the time has not come for the council to undertake an inquiry to determine the causes of this phenomenon,' he said.

COSTS

Dealing with difficulties between doctors and pharmacists, Dr van der Merwe said pharmacists were dissatisfied because doctors competed with them in prescribing and marketing, while doctors were dissatisfied with 'counter-prescrib-

① ~~89~~
② ~~95~~
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④ 96

William and his famil
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correspondent's columns.

The average reader knew nothing then of the tenant labourer, nor
anything of the conditions under which he lived, worked and trekked.
[illegible] readers have no excuse because these Africans have been evicted
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Training of Bantu pharmacists

246. Mr. L. R. WOOD asked the Minister of Bantu Education:

(1) (a) What has the cost of the provision of training facilities for Bantu pharmacists been to the State to date and (b) what is the estimated cost to the State to train a Bantu student from matriculation standard to graduation as a pharmacist;

(2) how many Bantu pharmacists have graduated since the establishment of training facilities.

The MINISTER OF BANTU EDUCATION:

(1) (a) R117 000.

(b) R13 200.

(2) 24.

Bantu pharmacists

247. Mr. L. R. WOOD asked the Minister of Health:

How many Bantu pharmacists employed by the State have been trained in South Africa.

The MINISTER OF HEALTH:

None.

Hansard 3 col 187 11/2/76
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introduction to university

university of cape town
16-27 February 1976

(1) X
(2) 96.

Fair cost plea on medicine

21/5/76
STAR.

Retail pharmacists have called for a fair cost price structure for medicines to enable them to compete against supermarkets and dispensing doctors.

This was resolved yesterday at the annual conference of the Pharmaceutical Society of South Africa.

It was decided the incoming executive should investigate the prices paid for all medicines bought from pharmaceutical manufacturers by "trading" doctors and the State by tender.

There was a disparity between these prices and those paid by the various levels of the private sector pharmacy industry.

The general council also decided immediate steps should be taken to alleviate the plight of pharmacists of races other than White.

Delegates said these pharmacists were deprived of almost the entire source of their income because they had to practise in "restricted areas" and compete with dispensing doctors.

Consideration should be given to the possible limitation of medicine licences in areas where there were existing pharmacies, it was said.

Other resolutions taken:

- Certain painkillers, including preparations containing aspirin, should be more strictly controlled. This is to be considered by the Medical Control Council;
- It was proposed that paracetamol and salicylates (such as aspirin) should be scheduled medicines;
- The general council recommended that the Pill should be available without prescription to women over 16.

The resolution now has to be considered by the Medicines Control Council.

Hansard 15 col 1109 13/5/77

(96)

Salary scales of Bantu pharmacists

922. Mr. L. F. WOOD asked the Minister of the Interior:

Whether the salary scales of Bantu (a) chief pharmacists, (b) senior pharmacists and (c) pharmacists have been revised since 1972; if so, (i) on what dates and (ii) what was the ratio of salary scales for White pharmacists in relation to Black pharmacists in each grade after each salary revision.

The MINISTER OF THE INTERIOR:

Post and salary structures for Bantu pharmacists were accepted in principle by the Public Service Commission on two levels, viz. Pharmacist and Senior Pharmacist, with effect from 1 September 1972, for utilization when the need would arise. The post and designation structures have since been brought in line for all groups of pharmacists and at present three levels exist for all population groups, viz. Chief Pharmacist, Senior Pharmacist and Pharmacist.

Structure adjustments/Improvements in remuneration in respect of the various posts were effected on the dates as indicated in column B and the salary ratio for Bantu pharmacists on the respective dates was as shown in column C (Whites: 100)

A	B	C
Chief Pharmacist	1. 9.72	—
	1. 7.74	—
	1.12.74	62,22
	i. 7.76	67,88
Senior Pharmacist	1. 9.72	39,05
	1. 7.74	38,02
	1.12.74	61,11
	1. 7.76	66,67
Pharmacist	1. 9.72	45,00
	1. 7.74	44,34
	1.12.74	62,97
	1. 7.76	68,70

Harvard 10 Q col
792
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(25)

(96)

Source: Report on Agricultural and Pastoral Production
NO; 44, REPORT NO. 06-01-08

Notes:

(1) De
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'71, those in respect of fruit
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(2) Th
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sale or not.
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(3) Da
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es, mules and donkeys refers to the
n-holders.

Indian pharmacists: Training facilities

663 Mr. L. F. WOOD asked the Minister of Indian Affairs:

(a) What has the cost of providing training facilities for Indian pharmacists been to the State to date, (b) what is the estimated cost to the State to train an Indian student from matriculation standard to graduation as a pharmacist and (c) how many pharmacists have graduated since training facilities for Indians have been provided.

The MINISTER OF INDIAN AFFAIRS:

(a) R896 072. As from 1963 excluding the cost of the buildings.

(b) R5 843,54. For the period 1973 to 1976.

(c) 122.

(4) "Other cereals" include oats, barley, rye, millet and manna, rice and buckwheat.
Legumes include lupins, cowpeas, soya beans, other edible dry beans dry peas and lentils.
"Other subtropical fruits" include pawpaws, guavas, litchis, mangos and avocado pears.
"Other deciduous fruits" include peaches, apricots, apples, pears, cherries, plums and prunes.

Poultry includes fowls, turkeys, ducks, geese and muscovy ducks.

Footnotes:

(1) The Department of Agricultural Economics and Marketing estimated that the 1970/71 maize crop on farms of Whites was 90,7 million bags (200lbs), 16,3 million bags in excess of the production figures submitted by farmers. From an investigation by the Department of Statistics it appeared that some of the farmers misinterpreted the concept "production season" in the Agricultural census questionnaire 1970/71.

(2) (B)=Bearing
(N-B)=Non-Bearing

96

'End influx control on Black chemists'

Staff Reporter

BLOEMFONTEIN. — There should be an intensive campaign to recruit Black pharmacists and influx control should not be applied to Black pharmacists, Professor Robert Summers, head of the department of pharmaceutics at the University of the North, said yesterday.

He was discussing the role of the community pharmacist at a seminar on "The Health Team and the Health Care of the urban Black" in Bloemfontein.

He said more Blacks would practise as pharmacists and their problems were likely to be at least as great as those of their White colleagues.

He said pharmacists could provide valuable support in preventive medicine where other facilities were not available.

Emphasis should be placed on domestic hygiene and on family planning. Proposals to train pharmacists as family planners were appropriate but required more thought, Prof Summers said.

Prof Summers concluded that efficiently pursued aims would ensure that the community pharmacy made its maximum contribution to the health needs of Urban Blacks. Optimal results would be achieved only through a team effort.

N. Meary 30/7/77 (96)

Banned U.S. drug often used in S.A.

Science Correspondent

A DRUG banned this week in the U.S. as an "imminent hazard to public health" is widely prescribed in South Africa in cases of mild diabetes.

Neither the Department of Health nor the Medicines Control Council was aware of the American action yesterday.

The drug is known chemically as phenformin and is marketed in this country as Insoral TD.

It was banned in the U.S. because of a belief that phenformin is a prime cause of lactic acidosis, a disorder of the blood that can be fatal.

This statement puzzled a spokesman for the Department of Health in Pretoria.

"The lactic acidosis story has been known for a long time," he said. "Warnings about the dangers are enclosed in the packet.

"But it is possible the Americans have some new information and if this is the case, it will be studied carefully by our Medicines Control Council."

Professor R. W. Charlton, chairman of the Medicines Control Council, said that all withdrawals of drugs in the U.S. were carefully scrutinised in South Africa.

However, he said the legal situation in America was different to South Africa.

"They are bound by fixed rules and regulations and have no room to manoeuvre in their decisions," he said.

Whatever decision is taken by the Medicines Control Council will be fully accepted by the manufacturers of Insoral, Berk Pharmaceuticals, said a spokesman for the company yesterday.

N. Mercury 12/8/77

A new look at those old plant cures

(96)

SPECIAL CORRESPONDENT

HERBALISTS the world over are uniting in a common effort to assess the curative values of plants used for medicinal purposes.

They hope to find further uses for a whole range of herbs, from potatoes to parsley, and have already laid the foundations for future exchanges of information.

Agreement to do so was reached at the recent World Health Organisation-sponsored symposium of Third World experts in medicinal plants, the first ever held.

The meeting took place in Mexico City and brought together delegates from Europe, the U.S., Africa, India and the Middle and Far East.

The Mexico City conference disclosed wide disparities between the developed and developing nations in plant knowledge and application, as well as differences in the efficacy of substances extracted from the same type of plants in separate areas of the world.

In parts of Africa, for instance, it is still believed that medicines for male and female patients work only if mixed in separate ox horns.

Folk medicine in India is a combination of religious, naturopathic and dietetic concepts.

Britain and Communist China both believe in utilising the best from traditional and modern treatment methods.

The U.K. delegates, Dr. Malcolm Stuart, who is director of the Herb Society, and Dr. Peter Hylands, plant chemistry expert at London University have been invited to Peking for talks next year.

Giving his perspective on the current situation, Dr. Stuart talks of "the enormous acceleration" in the use of synthetic drug products during the past 30 years.

"Yet so far we have looked at only three percent of plant resources.

"Work done in China, Poland, Germany, America and Holland over the last five years has shown that the whole plant contains substances of potential benefit which we didn't realise existed."

"We have reached a quite unique stage; there is a three to five thousand - year background in the use of a whole range of plants but we are still only just beginning to understand them," says Dr. Stuart.

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SUNDAY TRIBUNE, AUGUST 13, 1978

SWISS GROUP BUYS OUT REXALL IN SOUTH AFRICA

96

By Finance Reporter

CIBA-GIEGY, the world-wide Swiss pharmaceuticals group, has bought Port Elizabeth-based Rexall (Pty.) Limited from the owners for an undisclosed sum.

This represents an important breakthrough for Ciba since Rexall has a range of 250 medicinal and toiletry products with sales of around R2 million a year marketed through 1 000 franchised outlets. The complete range of Rexall medicinal products will now be marketed through Rexall SA, a wholly-owned subsidiary of Ciba-Geigy.

However, all Rexall products will, from now on, be manufactured at Ciba-Geigy's plant at Spartan, Kempton Park, and the franchise system will be discontinued. Don Bradley, managing director of Ciba-Geigy, said Rexall products would be supplied to all pharmacies through the normal wholesale channels.

The toiletry range which does not fit in with Ciba's business is to be sold off and it is understood that negotiations are well advanced with an as yet undisclosed third party.

As a further rationalisation measure, Ciba's range of over-the-counter medicinal products will be added to the range of products to be marketed by a special sales force.

"We intend to adopt an aggressive marketing approach while at the same time employing strong, in-store merchandising methods to ensure consumer awareness and ready demand for Rexall products. Our team of pharmacy representatives has been enlarged and they will be calling on pharmacies regularly to provide support and advice to pharmacists," said Bodley.

Rexall was started in 1938 and was part of Dart Industries of USA, which decided to pull out of the pharmaceutical industry some time ago.

Since 1969, Dart has sold its Rexall interests in Britain, Canada and America.

(...) dort (...),
Le sommeil sans bords d'Adam (...).
Car comme Adam dormait quand la femme lui fut enlevée du coeur, n'est-il pas juste que de nouveau il
Dorme en ce jour de ses noces (...) ?

SA's anti-malnutrition mix for black Africa

Sunc Times Bus. (96)

THe Council for Scientific and Industrial Research has developed a special high-protein foodmix for malnutrition sufferers which will be exported next year by the Johannesburg-based Roussel pharmaceutical company to black African countries — including some radically against South Africa's domestic policies.

Roussel, a subsidiary of the worldwide giant Hoechst-Roussel pharmaceutical group, said the first order for Medifeed, the name of the new product, would be worth R250 000.

"The initial reaction to

By IAN MUIL

the product has led us to plan for production facilities necessary to export R5-million worth a year by the end of 1981," a company spokesman said.

"The scope and need for this product is phenomenal. Right now there are anything between 500-million and 1 000-million children throughout the world suffering from malnutrition.

"In South Africa alone between 16 000 and 28 000 black and coloured children die of malnutrition every year."

He says the Government indicated a few years ago that pharmaceutical companies should carry out as much basic research in South Africa as possible.

"We decided that we should look at what was actualy needed in Africa and South Africa and three years ago called in the CSIR to provide information for us on what raw materials were available for a cheap but high-quality anti-malnutrition, or anti-kwashiorkor, feed.

"We have now come up with Medifeed."

The product will also be available locally from next year.

Now pharmacists dismiss claims about high drug costs

Sun Trib 8/10/78

By TERRY McELLIGOTT

DRUG manufacturers this week denied they spend almost as much on promoting their products as on making them, or that they often give the public and doctors misleading information.

Mr John Toerien, executive director of the Pharmaceutical and Chemical Manufacturer's Association, described claims about costs as totally incorrect.

The original attack came at the University of Cape Town conference on the economics of health care in Southern Africa and was made by Mr Jonathan Brodie, a graduate student at the School of Economics at UCT.

In a lengthy paper, Mr Brodie said prices of drugs tended to be inflated by huge sums spent on promotion and he suggested a complete revision of the drug-marketing system.

He believed a board should be set up to buy and distribute drugs. The pharmaceutical companies would not promote drugs to doctors at all, and the board would disseminate information about drugs to doctors, a process that would be financed by profits generated by the sale of drugs.

Mr Toerien said a commission of inquiry had noted medicine prices at the consumer level rose by less than the consumer price index during the period May, 1972, to July, 1976.

A survey of 51 companies had shown that their total manufacturing costs amounted to 51,7 percent of their overall costs. The cost of promotion, selling, distribution and warehousing amounted to only 21,2 percent.

"It is interesting to note the profit before tax amounts to only 13,2 percent. After-tax profit is therefore in the vicinity of only six percent," said Mr Toerien.

"These figures contradict Mr Brodie's allegations that prices are inflated by vast sums spent on promotion.

He said that since 1962 no fewer than four separate investigations into the pharmaceutical industry had failed to find evidence on which to charge the industry with harmful behaviour.

Regarding the marketing system suggested by Mr Brodie, he said: "I can never support an economist operating in the private sector who advocates a socialistic system of drug distribution.

"Entrepreneurs who have invested money in medicine manufacture are, in my opinion, as entitled as any other entrepreneur to share in profits, the basis of a free enterprise system."

Mr Brodie had told the conference medical representatives from drug companies often painted a misleading picture of their company's products to doctors.

Side-effects and contra-indications of drugs were usually ignored or played down by the reps.

Mr Toerien replied that his association's members adhered to a code of marketing practice which specified principles of conduct with regard to written and verbal advertising.

"This kind of self-regulation is the most effective method of protecting the consumer and the patient," he said.

The Medicines Control Council also monitored all advertisements on a continuous basis.

Ban to better image claim

JOHANNESBURG — The SA Pharmacy Board's decision this week to ban pharmacists from selling "non-medical" items from January 1, 1980, was taken to enhance the image of the profession.

This is the viewpoint of the Registrar of the SA Pharmacy Board, Mr Dennis Duggan.

"It is not the intention of the board to cause hardship to pharmacists. We simply feel that pharmacists will benefit in the long run by an enhanced image."

From January, pharmacists will not be able to sell items such as motor cars and accessories, arms and ammunition, stoves, freezers and refrigerators or similar domestic appliances, camping equipment garden implements, books and clothing which is not destined for physical protection.

It was also decided that retailers should phase out other items such as toys, ornaments and fancy goods.

Yesterday Mr Duggan said pharmacists found selling banned items would be reprimanded after a thorough investigation. If the situation was not remedied, more severe measures would be taken.

"The SA Pharmacy Board is a disciplinary body," he said. "We can wipe a pharmacist from the registry which means he will have to cease practice. Of course, these disciplinary measures would only be taken if we did not receive co-operation."

Mr Duggan said the sale of toiletries and cosmetics would be allowed as this was a "traditional" practice in South Africa among pharmacists.

He said the ban was the board's warning to pharmacists to "put their house in order." — DDC.

Doctors make 1 000% profits on pills



Mr Kosie van Zyl

...and I can prove it, says leading pharmacist

Tribune Reporter

A TOP pharmacist said this week he could prove that some doctors are making more than 1 000 percent profit on certain medicines they prescribe and dispense to their patients.

Mr Kosie van Zyl, vice president of the South African Pharmacy Board, was reacting to medical spokesmen who have dismissed his claim as highly unlikely.

Mr van Zyl said he could not disclose his source of information but he had the names of doctors concerned and of drugs they made the huge profits on.

Action if . . .

A spokesman for the Medical Association said this week he would very much like to receive the information which Mr van Zyl had. The association would certainly take action if it could be substantiated.

Mr van Zyl was highly critical of certain drug manufacturers who supplied "trading" doctors with drugs at greatly reduced prices but refused to supply pharmacists at the same prices.

"It is blatant discrimination and it is detrimental to the general public," he said. "Surely if these companies can charge the doctors so little, they should be able to do the same for retail chemists who would pass on the very substantial savings to their customers."

Mr van Zyl, a member of the Medical and Dental Council, raised the issue at a meeting of the council in Durban. He submitted figures showing that doctors could sell one particular drug at a profit of 1 300 percent.

He found the doctors could obtain chloramphenicol tablets at R21 for 1 000 — if they bought 5 000. They could then sell them at the recommended price of R6,45 for 24.

Isolated

"I personally checked and was told a retail chemist would have to pay R114 a thousand even if he bought 10 000. I asked the manufacturer what the price was for doctors but he was not prepared to tell me."

He obtained the information from another source. Mr van Zyl, who was a retail pharmacist for many years, is now in Government service.

He realised some doctors enabled low-income patients to benefit from the low prices paid for the drugs. The doctors made little or no profit in prescribing and supplying them to the patients. This was an admirable service.

Dr Fred Clarke, MPC for Durban North, has said that Mr van Zyl must have made his claim from an isolated incident.

"He is pulling a very rare case out and blowing it into a big story."

However, he said if some doctors were making such big profits as claimed then they were acting in a disgraceful and unethical manner.

STAATSKOERANT
VAN DIE REPUBLIEK VAN SUID-AFRIKA

REPUBLIC OF SOUTH AFRICA
GOVERNMENT GAZETTE

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GOEWERMENTSKENNISGEWINGS

DEPARTEMENT VAN GESONDHEID

No. R. 1737 10 Augustus 1979

SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES BETREFFENDE DIE TARIEF VAN GELDE WAT BETAALBAAR IS AAN 'N APTEKER TEN OPSIGTE VAN PROFESSIONELE DIENSTE DEUR HOM GELEWER

Die Minister van Gesondheid het kragtens artikel 49 (1) (a) van die Wet op Aptekers, 1974 (Wet 53 van 1974), op aanbeveling van die Suid-Afrikaanse Aptekersraad, die volgende regulasies betreffende die tarief van gelde wat betaalbaar is aan 'n apteker ten opsigte van professionele dienste deur hom gelewer, uitgevaardig:

1. *Woordomskrywing.*

In hierdie regulasies, tensy uit die samehang anders blyk, beteken—

"tarief" die tarief van gelde soos van tyd tot tyd deur die Raad voorgeskryf;

"oopgemaakte grootmaatverpakking" 'n hoeveelheid van enige voorafvervaardigde preparaat wat nie ooreenkom met, of gelyk is aan, of 'n veelvoud is van, die oorspronklike verpakking nie;

"aangeduide verbruikersprys" die verbruikersprys soos weergegee in die kleinhandelpryslys wat deur die Aptekersvereniging van Suid-Afrika gepubliseer word, of, waar nie so aangedui nie, die heersende groothandelprys plus 50 persent;

"heersende groothandelprys" die prys ex groothandelaar soos weergegee in die pryslys wat deur die Aptekersvereniging van Suid-Afrika gepubliseer word.

GOVERNMENT NOTICES

DEPARTMENT OF HEALTH

No. R. 1737 10 August 1979

SOUTH AFRICAN PHARMACY BOARD

REGULATIONS RELATING TO THE TARIFF OF FEES PAYABLE TO A PHARMACIST IN RESPECT OF PROFESSIONAL SERVICES RENDERED BY HIM

The Minister of Health has, in terms of section 49 (1) (a) of the Pharmacy Act, 1974 (Act 53 of 1974), on the recommendation of the South African Pharmacy Board, made the following regulations relating to the tariff of fees payable to a pharmacist in respect of professional services rendered by him:

1. *Definitions.*

In these regulations, unless the context otherwise indicates—

"tariff" means the tariff of fees prescribed from time to time by the Board;

"broken bulk" means a quantity of any prefabricated preparation which does not correspond to, is not equal to or is not a multiple of the original pack;

"indicated consumer price" means the consumer price as reflected in the retail price list published by the Pharmaceutical Society of South Africa or, where not so indicated, the current wholesale price plus 50 per cent;

"current wholesale price" means the price ex wholesaler as reflected in the price list published by the Pharmaceutical Society of South Africa.

2. Die volgende tarief van gelde is van toepassing op die verskeie professionele dienste wat deur 'n apteker verrig word en daar mag nie van die tarief afgewyk word sonder die voorafverkreë toestemming van die Raad nie:

(a) Gelde vir handelsmerk- gelyste en ongelyste medisyne en stowwe op voorskrif:

(i) Wanneer 'n hoeveelheid voorgeskryf word wat met die oorspronklike verpakking ooreenstem en professionele diens nodig is—

die aangeduide verbruikersprys plus 'n professionele heffing van 90c per item: Met dien verstande dat waar die aangeduide verbruikersprys minder as 90c is, die professionele heffing gelykstaande moet wees met die aangeduide verbruikersprys, maar behoudens 'n minimum van 40c;

(ii) wanneer oopgemaakte grootmaatverpakkings voorgeskryf word—

die proporsionele verbruikersprys gegrond op die kleiner oorspronklike verpakking naaste aan die voorgeskrewe hoeveelheid, of indien 'n gerieflike kleiner verpakking of glad geen kleiner verpakking beskikbaar is nie, dan die proporsionele aangeduide verbruikersprys van die naaste hoeveelheid plus 1/10 op die oopgemaakte grootmaatverpakking, plus die koste van die houer(s), die totaal na bo afgerond tot die naaste 5c, en die professionele heffing soos in paragraaf (i) hierbo aangedui, bygevoeg: Met dien verstande dat geen prys vir oopgemaakte grootmaatverpakking bereken, die prys van die volgende groter hoeveelheid plus die professionele heffing mag oorskry nie.

(b) Ongelyste stowwe en Bylae 1- en Bylae 2-stowwe:

Wanneer dit in oorspronklike verpakking voorgeskryf word en geen addisionele etikettering vereis word nie, die aangeduide verbruikersprys sonder byvoeging van 'n professionele heffing.

(c) Veelvoude van oorspronklike verpakkings:

Die aangeduide verbruikersprys plus die professionele heffing soos in (a) (i) gemeld, plus die koste van die houer(s) indien benodig.

(d) Mondvoorbehoedmiddels:

Die aangeduide verbruikersprys plus 'n professionele heffing van 25c vir elke maand se voorraad.

(e) Ampulle:

(i) Geen professionele heffing word gevorder vir ampulle wat in oorspronklike hoeveelhede voorgeskryf word nie.

(ii) In die geval van oopgemaakte grootmaatverpakkings, is die gelde betaalbaar wat in subregulasie (a) (ii) uiteengesit is.

(f) Preparate wat uit die vuis toeberei word:

(i) Professionele bereidingsgeld van R1,50 word gehef. Die koste van 'n voorskrif in hierdie kategorie word soos volg bereken:

Kosprys van bestanddele plus houer
plus 50 persent
plus professionele bereidingsgeld van R1,50,
die totaal na bo afgerond tot die naaste 5c.

(ii) Ekstra tyd:

Indien die bereidingstyd 15 minute oorskry, word die koste van die ekstra tyd proporsioneel teen 'n koers van R6 per uur bereken.

2. The following tariff of fees shall be applicable to the various professional services performed by a pharmacist and may not be deviated from except with the prior authority of the Board;

(a) Charges for branded scheduled and unscheduled medicines and substances on prescription:

(i) When prescribed in quantities corresponding to the original pack and professional services are required—

the indicated consumer price plus a professional fee of 90c per item: Provided that where the indicated consumer price is less than 90c, the professional fee shall be equal to the indicated consumer price, but subject to a minimum of 40c;

(ii) when prescribed in broken bulk—

the proportionate consumer price based on the original pack immediately smaller than the quantity ordered or if no convenient smaller size or no smaller size at all is available, the proportionate indicated consumer price of the nearest size plus 1/10th on the broken bulk portion, plus a charge for the container(s), the total to be rounded off upwards to the next 5c and the professional fee as indicated in paragraph (i) above added: Provided that no price calculated on broken bulk may exceed the price for the next larger size plus the professional fee.

(b) Unscheduled substances and Schedules 1 and 2 substances:

When prescribed in an original pack, no additional labelling being required, the indicated consumer price with no professional fee added.

(c) Multiples of original packs:

The indicated consumer price plus the professional fee as set out in (a) (i), plus the cost of the container(s) if required.

(d) Oral contraceptives:

The indicated consumer price plus a professional fee of 25c for each month's supply.

(e) Ampoules:

(i) No professional fee shall be charged on ampoules prescribed in original quantities.

(ii) In the case of broken bulk, the charges set out in subregulation (a) (ii) shall apply.

(f) Preparations dispensed extemporaneously:

(i) A professional compounding fee of R1,50 shall be charged. The cost of a prescription in this category shall be calculated as follows:

Cost price of ingredients plus container

plus 50 per cent

plus professional compounding fee of R1,50,

rounded off upwards to the nearest 5c.

(ii) Excess time:

If the compounding time exceeds 15 minutes, excess time shall be charged proportionately at the rate of R6 per hour.

(g) Afskrifte van voorskrifte:

10c per afskrif waar afskrifte van voorskrifte verlang word.

(h) Na-sluitingstydgelde:

R3 per oproep, wat gehef word slegs in gevalle waar van die apteker verlang word om sy apteek oop te maak nadat hy vir die dag gesluit het.

(i) Behoeftige pasiënte:

Wanneer, na die sekere wete van die apteker, 'n pasiënt behoeftig is, kan die apteker 'n toeslag van minstens een-derde van die tarief toestaan.

(j) Gelyste stowwe sonder voorskrif:

Die heersende groothandelprys plus 50 persent.

3. *Algemeen:*

(a) Die merk van voorskrifte:

Alle voorskrifte of afskrifte van voorskrifte wat aan pasiënte teruggesorg word, moet die naam en adres van die apteek dra, moet met die prys wat gevra is, gemerk wees en moet die datum van toebereiding aandui.

(b) Generiese preparate, formulerings of sterktes:

Waar die voorskrywer nie spesifiseer nie, moet die apteker wat die eerste toebereiding doen, op die voorskrif of afskrif daarvan aandui welke handelsmerk, formulering of sterkte toeberei is.

No. R. 1738 10 Augustus 1979

SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES BETREFFENDE DIE GELDE WAT INGEVOLGE DIE WET OP APTEKERS, 1974, AAN EN DEUR DIE RAAD BETAALBAAR IS

Die Minister van Gesondheid het ingevolge artikel 49 (1) (d) van die Wet op Aptekers, 1974 (Wet 53 van 1974), soos gewysig, op aanbeveling van die Suid-Afrikaanse Aptekersraad, die regulasies betreffende die gelde wat ingevolge die Wet op Aptekers, 1974, aan en deur die Raad betaalbaar is, afgekondig by Goewermentskennisgewing R. 349 van 21 Februarie 1975, soos gewysig by Goewermentskennisgewing R. 1340 van 6 Augustus 1976, by Goewermentskennisgewing R. 15 van 7 Januarie 1977 en by Goewermentskennisgewing R. 216 van 3 Februarie 1978, soos volg gewysig:

1. Deur in regulasie 1 (1) (b) die woorde en syfers na die woord "Farmasie-eksamens" te skrap en deur die volgende te vervang:

"Alle studiejare: R20 per vak".

2. Deur in regulasie 1 (1) (c) die getal "15" deur die getal "20" te vervang.

3. Deur in regulasie 1 (1) (d) die getal "10" deur die getal "15" te vervang.

4. Deur in regulasie 1 (2) (a), (b) en (c) onderskeidelik die getalle "15", "20" en "15" deur die getalle "25", "30" en "20" te vervang.

5. Deur in regulasie 1 (4) (a) en (f) onderskeidelik die getalle "40" en "25" deur die getalle "75" en "50" te vervang.

6. Deur in regulasie 1 (5) (a) en (b) onderskeidelik die getalle "25" en "25" deur die getalle "100" en "75" te vervang.

(g) Copies of prescriptions:

10c per copy where copies of prescriptions are called for.

(h) After-hours charge:

R3 per call, which shall be charged only in cases where the pharmacist is called out to open his pharmacy after he has closed for the day.

(i) Indigent patients:

Where, to the certain knowledge of the pharmacist, a patient is indigent, an allowance of not less than one-third of the tariff may be made.

(j) Scheduled substances not on prescription:

The current wholesale price plus 50 per cent.

3. *General.*

(a) Marking of prescriptions:

All prescriptions or copies of prescriptions returned to patients shall bear the pharmacy's name and address, shall be marked with the price charged and shall show the date of dispensing.

(b) Generic preparations, formulations or strengths:

Where the prescriber makes no specification, the first pharmacist dispensing a prescription shall indicate on the prescription or copy thereof which brand, formulation or strength was dispensed.

No. R. 1738 10 August 1979

SOUTH AFRICAN PHARMACY BOARD

REGULATIONS RELATING TO THE FEES PAYABLE BY AND TO THE BOARD UNDER THE PHARMACY ACT, 1974

The Minister of Health has, in terms of section 49 (1) (d) of the Pharmacy Act, 1974 (Act 53 of 1974), as amended, on the recommendation of the South African Pharmacy Board, amended the regulations relating to the fees payable by and to the Board under the Pharmacy Act, 1974, published under Government Notice R. 349 of 21 February 1975, as amended by Government Notice R. 1340 of 6 August 1976, by Government Notice R. 15 of 7 January 1977 and by Government Notice R. 216 of 3 February 1978, as follows:

1. By the deletion, in regulation 1 (1) (b), of the words and figures after the word "fees" and the substitution therefor of the following:

"All years of study: R20 per subject"

2. By the substitution, in regulation 1 (1) (c), for the figures "15" of the figures "20".

3. By the substitution, in regulation 1 (1) (d), for the figures "10" of the figures "15".

4. By the substitution, in regulation 1 (2) (a), (b) and (c) for the figures "15", "20" and "15" of the figures "25", "30" and "20", respectively.

5. By the substitution, in regulation 1 (4) (a) and (f) for the figures "40" and "25" of the figures "75" and "50", respectively.

6. By the substitution, in regulation 1 (5) (a) and (b) for the figures "25" and "25" of the figures "100" and "75", respectively.

7. Deur regulasie 2 (1) te skrap en dit deur die volgende nuwe regulasie 2 (1) te vervang:

"(1) Eksaminatorsgelde:

(a) Sentrale eksaminatore—opstel van teorievraestel: R120.

Eksterne praktiese farmaseutika—opstel van vraestel: R120.

Toets in die wet betreffende farmaseutiese praktyk—opstel van vraestel: R40.

Nasien van eksamenskrifte—per eksamenskrif, met 'n minimum van R5 per eksamen: R1,50.

(b) Moderatore—Gesondheidsvoorligting en Farmasie-administrasie—finale interne teorie-eksamen—modereer van vraestelle en eksamenskrifte: R80.

Interne praktiese eksamens—modereer van vraestel: R10.

Bywoning van praktiese eksamen—per sessie: R25.

Projekte en mondelinge eksamens in Farmaseutika, Farmaseutiese Chemie en Farmakologie—per uur: R10.

Eksterne praktiese farmaseutika—nasien van eksamenskrifte, per skrif: R2,50.

Reisonkoste, per km: 25c.

(c) Interne eksaminatore—Gesondheidsvoorligting en Farmasie-administrasie—opstel van finale teorievraestel: R60.

Nasien van eksamenskrifte—per skrif, met 'n minimum van R5 per eksamen: R1,50.

Eksterne praktiese farmaseutika—nasien van eksamenskrifte, per skrif: R2,50.

(d) Vertaling van vraestel—per bladsy: R7.".

8. Deur in regulasie 2 (2) (a) en (b) onderskeidelik die getalle "15" en "10" deur die getalle "25" en "25" te vervang.

9. Deur in regulasie 2 (3) (b) (i) (dd), na die woord "uitgawes", die woorde "aan die indiensneming van 'n plaasvervanger gedurende sy afwesigheid van sy kleinhandelapteek en" in te voeg en die getal "15" deur die getal "25" te vervang.

7. By the deletion of regulation 2 (1) and the substitution therefor of the following new regulation 2 (1):

"(1) Examiners' fees:

(a) Central examiners—setting of theory question paper: R120.

External practical pharmaceutics—setting of question paper: R120.

Test in the laws relating to pharmaceutical practice—setting of question paper: R40.

Marking of examination scripts—per script, with a minimum of R5 per examination: R1,50.

(b) Moderators—Health Education and Pharmacy Administration—final internal theory examination—moderation of question paper and examination scripts: R80.

Internal practical examinations—moderation of question paper: R10.

Attendance at practical examination per session: R25.

Projects and oral examinations, Pharmaceutics, Pharmaceutical Chemistry and Pharmacology—per hour: R10.

External practical pharmaceutics—marking of examination scripts, per script: R2,50.

Travelling expenses, per km: 25c.

(c) Internal examiners—Health Education and Pharmacy Administration—setting of final theory paper: R60.

Marking of examination scripts—per script, with a minimum of R5 per examination: R1,50.

External practical pharmaceutics—marking of examination scripts, per script: R2,50.

(d) Translation of examination paper—per page: R7.".

8. By the substitution in regulation 2 (2) (a) and (b) for the figures "15" and "10" of the figures "25" and "25", respectively.

9. By the insertion, in regulation 2 (3) (b) (i) (dd), after the word "expenditure", of the words "on the employment of a locum tenens during his absence from his retail pharmacy and" and by the substitution for the figures "15" of the figures "25".

INHOUD

No.		*Bladsy No.*	*Staatskoerant No.*
Gesondheid, Departement van			
Goewermentskennisgewings			
R. 1737	Wet op Aptekers (53/1974): Regulasies betreffende tariefgelde, ens.	1	6615
R. 1738	do.: do.	3	6615

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Government Notices			
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R. 1738	do.: do.	3	6615

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6615—1

PRICE OF DRUGS GOES UP 8 PC

THE price of prescriptions has risen by about eight percent, the South African Pharmacy Board has announced.

An investigating committee had found the professional tariff, in force since 1972, was now completely unrealistic, the board said in a statement yesterday.

An increased tariff proposed in 1976 had not been implemented in a bid to help curb inflation.

Until recently the tariff of fees which a pharmacist could levy for his professional services was determined by the Pharmaceutical Society of SA, subject to approval by the Pharmacy Board and the price controller.

COSTS ESCALATED

This system had certain disadvantages, and Parliament amended the Pharmacy Act during the last session to empower the Minister of Health to make regulations, on the recommendation of the Pharmacy Board, relating to the tariff of fees payable to a pharmacist for professional services rendered by him.

Since 1976 costs had escalated and an investigating committee had found, that a realistic tariff, based on professional remuneration of R6,30 an hour, would be justified.

It was recommended that the Minister determine the fee at this level and this recommendation was accepted, the Board said. — Sapa.

e se Konferensie oor: 'Die redeskerke', Gaborone, voorgelê oor: 'The Role of tice in Southern Africa'

anse Calvinistiese Beweging,

ofessionele en Openbare

y in die Suid-Afrikaanse ge as 'n lid van die Weskaap- e Uitvoerende Komitee en van

er Service Fund in die Kaap, sdienstige Vriendekring wikkeling op die platteland er.

l van die Raad van die Suidelike Afrika. Hy is nse Sosiologiese Vereniging ologiese Vereniging. Hy taanse afgevaardigde in die osiologiese Vereniging vir

N DANK

geleentheid wat die jaar- te betuig aan lede van die ie Beheerraad vir hulle ng in die aangeleenthede van

het benewens 'n bydrae tot rum, ook vir die Sentrum sedert sy stigting in kantoorruimte voorsien. Met die uitbreiding van personeel het ons die huisie op die laer

navorsings-Fellows het aansienlik tot die Sentrum se program bygedra: dr Sheila T. van der Horst, afgetrede mede-professor van Ekonomie, U.K., en professor J.L. Boshoff, gewese Rektor van die Universiteit van die Noorde.

LIDMAATSKAP

Soos voorheen gemeld, is die Sentrum vir Intergroepstudies geregistreer as 'n maatskappy. In die Memorandum en Statute van Vennootskap word voorsiening gemaak vir die benoeming van eenhonderd lede. Tans is daar 57 lede en hulle sluit die volgende in:

a) Drie stigterslede:

   Mnr J.G. Benfield
   Mnr H.L. Kennedy
   Mnr P.G.T. Watson

b) Sewentien persone wat gedurende die afgelope 10 jaar lede van die Beheerraad was (* dui stigterslede aan):

   Professor E.V. Axelson
   Professor J.F. Beekman
   Professor J.F. Brock
   Mnr C.S. Corder*
   Professor W.H.B. Dean
   Dr J.P. Duminy*
   Professor G.F.R. Ellis
   Biskop A.W. Habelgaarn
   Mnr E.V.E. Howes*
   Professor M.F.Kaplan
   Ds. W.A. Landman
   Mnr G.K. Lindsay
   Sir Richard Luyt
   Professor S.J. Saunders
   Professor H.W. van der Merwe
   Mede-professor D.J. Welsh
   Professor Monica Wilson

c) Ander lede:

Mnr K. Bosman	Mnr H.W. Middelmann
Professor A. Cupido	Eerw. M.T.L. Moletsane
Mnr N. Daniels	Professor A.D. Muller
Mnr Achmat Davids	Sheik A. Najaar
Professor R.J. Davies	Mnr Victor Norton
Professor J.J. Degenaar	Professor N.J.J. Olivier
Mnr René de Villiers	Mnr L. Phillips
Dr I.D. du Plessis	Professor H.P. Pollak
Professor J.J.F. Durand	Mnr W.J. September
Professor J.B. du Toit	Mnr Franklin Sonn
Mnr A. Flederman	Mnr P.M. Sonn
Professor R.F. Fuggle	Regter J.H. Steyn
Mnr G.J. Gerwel	Mnr R. Tobias
Eerw. D. Guma	Professor R.E. van der Ross
Professor A. Paul Hare	Professor J.H. van Rooyen
Dr Gertrud Heydorn	Mev. S. Walters
Mnr F.A. Jacobs	Professor F.A.H. Wilson
Mnr H.M. Jimba	

d) Twee Ere-Fellows:

Professor J.L. Boshoff
Dr Sheila T. van der Horst

Lede word na die Algemene Jaarvergadering van die Maatskappy uitgenooi en kies elke drie jaar 'n verteenwoordiger op die Beheerraad. 'n Verkiesing is in 1978 gehou en die huidige ampsdraer is Biskop A.W. Habelgaarn. Terwyl geen verpligtinge aan lede opgelê word nie, word hulle geraadpleeg in verband met sake wat die Sentrum se program raak.

NAVORSING

Gedurende die verslagjaar het die navorsing van die Sentrum die volgende behels:

A. Mobiliteit en Politieke Verandering in Suid-Afrika

Hierdie projek is 'n paar jaar gelede aangepak. 'n Ondersoek onder die kleurling bevolking van die Kaapse Skiereiland is onderneem. 'n Aantal tydelike navorsings-

Friends (Quakers) en van die American Friends Service Committee deurgebring. Hy het 'n aantal konferensies in verskillende dele van die land bygewoon, baie vergaderings toegespreek en senior beamptes van die Carnegie Corporation, van Community Relations Services van die Departement van Justisie van die Amerikaanse regering, van die American Friends Service Committee en kollegas verbonde aan verskeie universiteite besoek.

Gedurende Augustus en September het die Direkteur Engeland
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Chemists scripts to cost more

THE price of prescriptions went up by about eight percent yesterday, the South African Pharmacy Board said.

An investigating committee had found the present professional tariff, in force since 1972, was now "completely unrealistic," the board said in a statement.

An increased tariff proposed in 1976 had not been implemented in a bid to help curb inflation.

Since 1976 costs had escalated further and the investigating committee had found, "taking all relevant factors into account, that a realistic tariff, based on professional remuneration of R6,30 an hour, would be justified". — Sapa

(b) Konferensies

Gedurende 1978 het die Direkteur die volgende konferensies byg

Jaarlikse Konferensie, Nasionale Uitvoerende Komitee- en Raadsvergadering van die Suid-Afrikaanse Instituut vir Rasseverhoudinge, Kaapstad (Januarie).

Suid-Afrikaanse Jaarlikse Vergadering van die Religious Society of Friends, Stutterheim (April).

Negende Wêreldkongres van Sosiologie, Uppsala, Swede. Verhandeling voorgelê in Werkgroep 6 en vergaderings bygewoon van die Raad van die Internasionale Sosiologiese Vereniging as die amptelike afgevaardigde van Suid-Afrika (Augustus).

Pharmacist fees changes referred to legal advisers

The new regulations for pharmacists' fees have been referred to lawyers. Some consumer watchdogs believe they are illegal.

Mr Eugene Roelofse, ombudsman for the South African Council of Churches, has referred the matter to his attorneys. He believes the Price Controller has contravened the Regulations of Monopolistic Conditions Act, and if this is so, he might refer the matter to the police.

The Housewives' League's Maritzburg Branch has sent telexes to the Minister of Health and Finance, asking for Section 2(j) of the regulations to be repealed.

UNACCEPTABLE

The league rejected the statement by the Pharmaceutical Society that these increases had been introduced to discourage the abuse of scheduled, non-prescription medicines.

If the society wanted to control the abuse of medicines, it should demand that they be handled only by qualified chemists or available on prescription only, it said.

Mr Roelofse said the regulations underlined the unacceptability of the present system where negotiations between commerce and the Dept of Commerce were conducted behind closed doors. The system lent itself to decisions which were diametrically opposed to the public interest.

The Housewives' League also called for the "Blue Book" or list of wholesale prices to be abolished as chemists bought items for much lower prices.

100 PERCENT

The section, which the league describes as "small but explosive" states that scheduled substances not on prescription must be sold at the current wholesale price for their medicines" and "all pharmacists must charge the same price for their medicines, and this is resale price maintenance," which was abolished by law several years ago.

The new regulations also increase the dispensing fee by 90 percent and the compounding fee (for mixing medicines) has been set at a flat rate of R1,50.

JAARVERSLAG

1978

SENTRUM VIR INTERGROEPSTUDIES

(Geregistreer as The Abe Bailey Institute of
Inter-Racial Studies Limited
(Beperk deur Garansie))

Posadres:
p/a Die Universiteit van Kaapstad
Rondebosch
Republiek van Suid-Afrika
7700

Kantooradres:
Leslie Social Sciences Building
University Avenue
Groote Schuur Campus

Telefoon: 65-4145; 69-8531 Uitb. 766

INLEIDING

Gedurende die eerste nege jaar van sy bestaan het die Sentrum vir Intergroepstudies gereeld 'n jaarverslag oor sy werksaamhede gepubliseer. Om die Sentrum se 10de verjaarsdag op 1 April 1978 te vier is die jaarverslag in 1977 vervang deur 'n Oorsig oor die Eerste Tien Jaar.

DIE OORSPRONG EN DOELSTELLINGS VAN DIE SENTRUM

Die Sentrum word grootliks gefinansier deur die Abe Bailey-Trust wat ingevolge die testament van Sir Abe Bailey gestig is. Dit is geregistreer as The Abe Bailey Institute of Inter-Racial Studies Limited (Beperk deur Garansie) - 'n maatskappy beperk deur garansie en sonder 'n aandele-kapitaal kragtens die Maatskappywet 1973 (Wet Nr. 61 van 1973).

Raised drug fees may be illegal

Argus 3/9/79

Argus Correspondent

JOHANNESBURG. — The new regulations for pharmacists' fees have been referred to lawyers. Some consumer watchdogs believe they are illegal.

Mr Eugene Roelofse, ombudsman for the South African Council of Churches, has consulted his attorneys. He believes the Price Controller has contravened the regulations of the Monopolistic Conditions Act, and if this is so, he might refer the matter to the police.

The Maritzburg branch of the Housewives League has sent telegrams to the Ministers of Health and of Finance, asking for Section 2 (J) of the regulations to be repealed.

SUBSTANCES

The section, which the league describes as 'small but explosive' states that scheduled substances not on prescription must be sold at the current wholesale price plus 50 percent. Scheduled substances include cough mixtures which have 'poison div 2' on their labels.

The section means that 'with a clear conscience a pharmacist can now make over 100 percent on some medicines' and 'all pharmacists must charge the same price for their medicines.' This, the league contends, is resale price maintenance, which was abolished by law several years ago.

GENERAL NEWS

'Medicine is not so profitable'

96, 26/4/79

Science Reporter

THE pharmaceutical industry was the "most investigated industry" not only in the Republic, but also internationally, but had never been shown to be making excessive profits, says a cost analysis issued by the industry.

The analysis, published by the Pharmaceutical and Chemical Manufacturers' Association, said that in the Republic in the past 15 years there had been four official investigations into charges that the industry earned excessive profits due to overprotection, lack of competition and unethical trade practices.

None had found evidence of harmful behaviour or abuse of monopolistic power. The latest, which reported in 1978, found that medicines amounted to less than 20% of the total health bill and there was no evidence of excessive profits.

Some 30% of the maker's turnover went on direct production costs, a further 15% to research and development, scientific information 15% and advertising 5%. This left 35%, of which distribution, taxes, administration and other miscellaneous overheads took 20%, leaving 15% profit.

"The industry probably maintains the highest degree of competition of all sectors. In the category of broad spectrum antibiotics there were 63 products made by 25 companies and the leading product had only a 12% share of the market.

"There is not one pharmaceutical company in the world which enjoys more than 5% of the total market and in South Africa the maximum share was 7%," the analysis said.

By voluntary agreement, new product prices would not be approved by the Price Controller if a company's before tax profits exceeded 15%, which meant that annual net profit could not exceed an average of 13% of capital. The industry average in South Africa was about 11%.

The Steenkamp Commission recommended that manufacturers should be allowed to have a return on investment of 20 to 25%.

(96) FM 12/10/79

PHARMACEUTICALS

The price of popping pills

Believe it or not, drugs in SA are "very reasonably priced". Or so says the Pharmaceutical and Chemical Manufacturers' Association of SA.

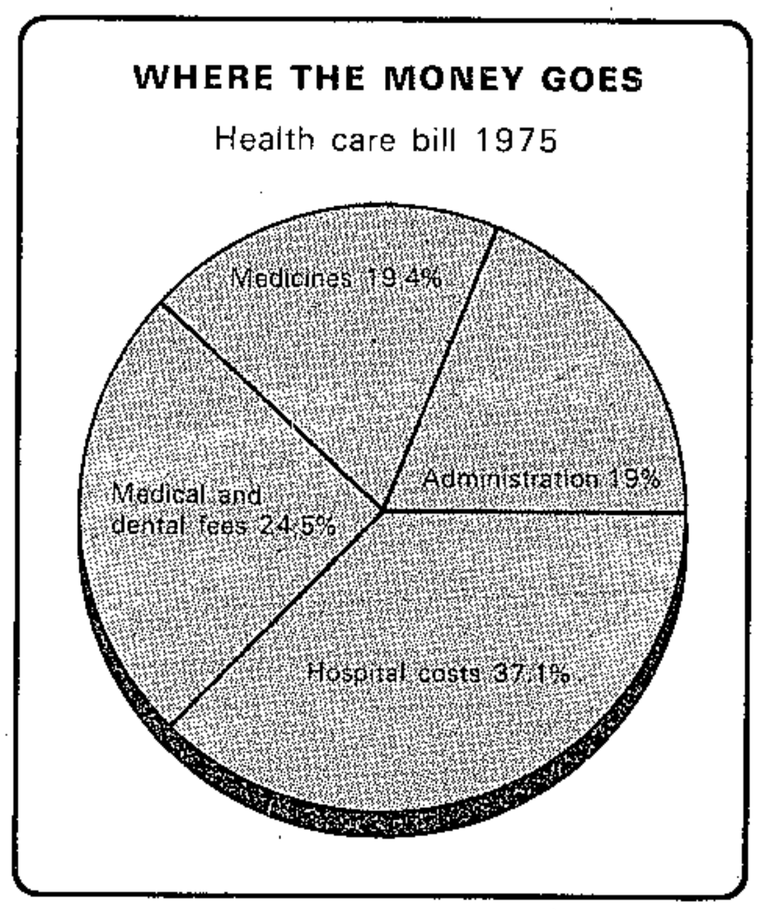
Since 1973 the pharmaceutical industry has been operating under a form of voluntary price control which limits it to a return of 15% on capital employed, before tax and interest. This ceiling implies, in practice, that a pharmaceutical company's annual net profit may not exceed an average of 13% on equity. The actual average is currently 11%. What's more, the Steenkamp Commission of Enquiry into the pharmaceutical industry found that price control was altogether unjustified, recommending that manufacturers be allowed a return on investment of 20% to 25%.

In any event, the manufacturer's price currently comprises only 55% of the retail price, the wholesaler taking a mark-up of 21,1% and the retailer 50%, even before the recent increase in dispensing fees. And the wholesaler and retailer also have an indispensible role to play — seeing that drugs are available to the public at accessible locations and convenient quantities.

But, regardless of reasoned arguments, complains the association's director, John Toerien, the SA public reacts to chemists' bills the way the citizens of old Hamlin responded when asked to pay the Pied Piper.



Toerien . . . paying the Pied Piper



In a booklet published to support its case, the association argues that of total private consumption expenditure during 1977, total medical care and health expenses accounted for only 3,2%, while medicines comprised only 20% of that. Food, alcohol and tobacco accounted for 30,1%.

Drug prices can be looked at another way: in the period April 1970 to April 1978, the cost of medical care went up by 166,4%, against an increase of 209,0% in all items of the consumer price index. And if medical fees, on the medical aid basis, go up (as they shortly will) by some 54%, then the cost of drugs will form an even smaller proportion of total medical costs than at present.

Over the last 20 years, research costs have risen in exponential fashion. In 1958-62 it took an average of R750 000 and two years to develop a new drug, against R20m plus and 10-12 years currently. And, if the current cash flow of the international pharmaceutical companies dried up through inadequate profit margins, says Toerien, the next generation of drugs would never be created. Drug companies themselves finance 97% of pharmaceutical research in the USA. In all industry, only 45% of research is funded by the companies.

Toerien notes that the international drug companies themselves are earning a below-average rate of return, so that it would be wrong to suppose that they are "milking" the SA market through charging a high inter-company (or "transfer" price) to their local subsidiaries for the active ingredients mostly manufactured abroad (see *FM* October 5).

Notwithstanding, the whole issue of transfer prices is one which deserves scrutiny, as it is all too easy for any multinational concern to juggle pricing policy so as to take profits where it thinks most attractive. This capacity to divert profits to the most convenient location has attracted the attention of the American Internal Revenue Service, which now has the power to impute to the American parent company profits arising outside the US as the result of a sale between associated companies in a group.

Perhaps the most convincing response to this sort of legitimate question would be greater effort by the multinationals to foster SA manufacture of the active ingredients in ethical and other drugs.

Financial Mail October 12 1979

about 100 000 residual deaths 'are not categorically divided in urban or

MSD refuses request to talk to the workers

MSD, a pharmaceutical company based at Halfway House, recently advertised in POST for matriculants to work as cleaners and we asked the personnel manager, Mr L E Liebenberg, why.

"We don't think that a matriculant would clean better," he answered, "but we expect them to make up as vacancies occur higher up. We believe in promoting people from within.

"For the past three or four years, we have been trying to employ people who have matric at least. They have made some academic achievement."

Mr Liebenberg gave the example of two cleaners who have now moved to more senior positions.

Joe Thloloe on Job Watch

MSD, who are signatories to the Sullivan Principles, have two salary grading systems — one for the "less responsible jobs" and another for more senior, from junior administrative level to senor management.

In the lower system, there are 37 blacks as against 46 whites. In the higher system there are 182 whites against 8 blacks. The blacks in the higher system are in the three lower grades, while whites are in all seven grades.

DIRECTOR

Mr M G A Woodworth, the director of administration, says: "We can't provide skills overnight. We are constantly trying to get people with the correct aptitude."

The company also has farm near Hartbeespoort and there are 18 blacks working there.

"They do normal farm work — tending animals, driving tractors, harvesting, sowing, etc."

What is the company's

the annual bonus. He said this would be increased to between R230 and R235 from January next.

"The Supplemented Living Level for a family of five in Johannesburg was R183 when we fixed on the R200. We always try to keep ahead of it, but have fallen slightly behind because it is now R208,26. That is why we are raising the salaries."

Mr Liebenberg told us that even the farm workers get this minimum, but some of it is in kind.

When POST visited the farm and asked one worker how much she earned, our escort told us that she had been told that we were to take pictures of the houses and was not told that we would be talking to the workers.

RATIONS

At this time the worker had told us that she earned R52, R76 and R96 in three different months.

She told us that she gets rations — mielie

houses, painted white, with lawns. The houses have electric lighting, one bedroom, another room that is used as kitchen, diningroom and livingroom, and a bathroom with hot and cold water, a flush toilet, and a hand basin. There is no bath.

At head office Mr Liebenberg confirmed that we were not allowed to talk to the workers: "Even here at head office you were allowed to talk to the supervisors only."

There is a liaison committee for black workers, while "about six whites" belong to a trade union.

Although Mr Liebenberg and Mr Woodworth insist they have no dealings with white trade unions, they say the company is bound by the Industrial Council agreement in the industry. (The agreement is between employers and trade unions in the industry.)

UNIONS

What is the company's attitude to black trade unions? "We have an open mind. We would accept a black trade union."

Members of the liaison committee get training and the company have meetings on "affirmative action."

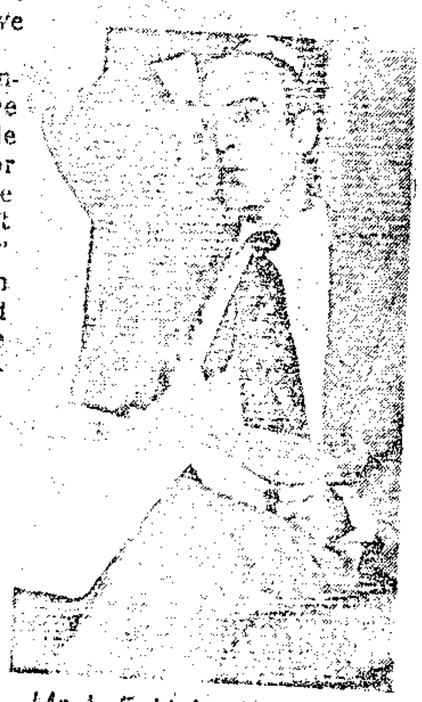
"We do not have training facilities here, but we send people to outside institutions like Chamdor in Krugersdorp, and the National Development Management Foundation."

Besides training in things like safety and supervisory courses, the company trains for specific promotions.

One black is being trained for a management position. He is studying business management with the University of South Africa.

Does the company have a situation where a black supervises a white?

"Not at this stage. This is envisaged, probably around February."



Mr L E Liebenberg, personnel manager . . .

COFFEE SPECIAL

Pour together into coffee glas
with following: fresh cream
drops of vanilla essence and

RANADILLA DRINK

cups sugar
cups water

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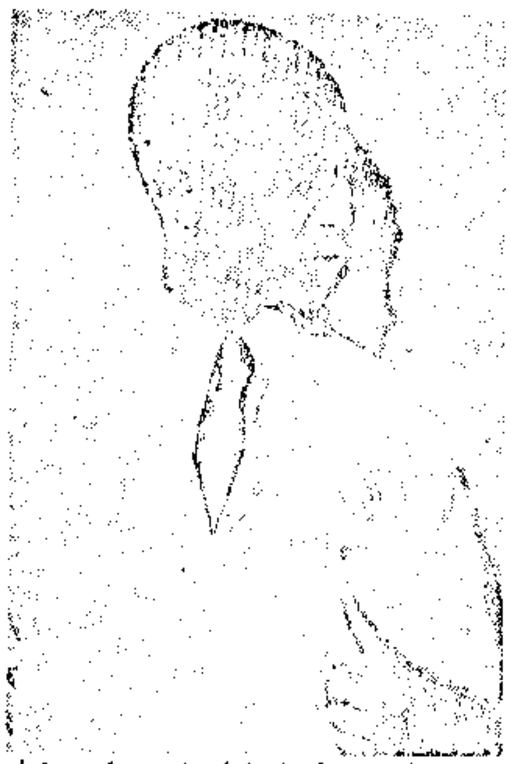
r and allow to coo
all the juice out

a farm near Hartbeespoort and there are 18 blacks working there.

"They do normal farm work — tending animals, driving tractors, harvesting, sowing, etc."

What is the company's minimum pay?

Mr Liebenberg told us that it is R200 a month and this does not include



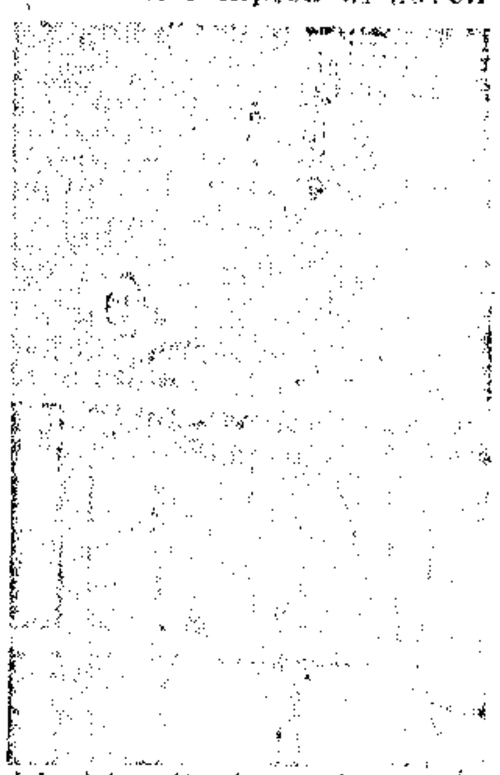
Mr Asiel Molefe, chairman of the liaison committee, who is also a senior supervisor.

RATIONS

At this time the worker had told us that she earned R52, R76 and R96 in three different months.

She told us that she gets rations — mielie meal, sugar, salt, beans, coal, soap and on Fridays meat — overalls and free medical care.

It is a complex of seven



Mr Mandla Nyemba mills liquid at MSD.

No. R. 2504 9 November 1979

THE SOUTH AFRICAN PHARMACY BOARD

REGULATIONS, INCLUDING THE MINIMUM CURRICULUM, FOR A DEGREE IN PHARMACY

The Minister of Health has, in terms of section 49 (1) (j) of the Pharmacy Act, 1974 (Act 53 of 1974), on the recommendation of the South African Pharmacy Board, amended the Regulations, including the Minimum Curriculum, for a Degree in Pharmacy, published under Government Notice R. 1476 of 1 August 1975, as follows:

Substitute the following for regulation 3:

"3. A student who is admitted to the second year of study shall register with the Board as soon as possible after his admission to the second year of study.".

No. R. 2504 9 November 1979

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES, INSLUITENDE DIE MINIMUM LEERGANG, VIR 'N GRAAD IN FARMASIE

Die Minister van Gesondheid het kragtens artikel 49 (1) (j) van die Wet op Apteke, 1974 (Wet 53 van 1974), op aanbeveling van die Suid-Afrikaanse Apotheersraad, die Regulasies, insluitende die Minimum Leergang, vir 'n Graad in Farmasie, afgekondig by Goewermentskennisgewing R. 1476 van 1 Augustus 1975, soos volg gewysig:

Vervang regulasie 3 deur die volgende:

"3. 'n Student wat tot die tweede studiejaar toegelaat word, moet so gou moontlik na sy toelating tot die tweede studiejaar, by die Raad registreer.".

No. R. 2505 9 November 1979

THE SOUTH AFRICAN PHARMACY BOARD

REGULATIONS RELATING TO THE REGISTRATION OF PHARMACY STUDENTS

The Minister of Health has, in terms of section 49 (1) (h) of the Pharmacy Act, 1974 (Act 53 of 1974), on the recommendation of the South African Pharmacy Board, amended the Regulations relating to the Registration of Pharmacy Students, published under Government Notice R. 1477 of 1 August 1975, as follows:

1. In regulation 1 substitute the following for the words after "unless he":

"produces proof that he has been admitted to the second year of study for a degree or diploma in pharmacy.".

2. Substitute the following for regulation 2 (c):

"(c) if he completed the first year of study at a university, submit a certificate from the registrar of that university to the effect that he has been admitted to the second year of study; or".

No. R. 2505 9 November 1979

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES BETREFFENDE DIE REGISTRASIE VAN APTEKERSTUDENTE

Die Minister van Gesondheid het kragtens artikel 49 (1) (h) van die Wet op Apteke, 1974 (Wet 53 van 1974), op aanbeveling van die Suid-Afrikaanse Apotheersraad, die Regulasies betreffende die Registrasie van Aptekerstudente, afgekondig by Goewermentskennisgewing R. 1477 van 1 Augustus 1975, soos volg gewysig:

1. In regulasie 1, vervang die woorde na "tensy hy" deur die volgende:

"bewys lewer dat hy tot die tweede studiejaar vir 'n graad of diploma in farmasie toegelaat is.".

2. Vervang regulasie 2 (c) deur die volgende:

"(c) indien hy die eerste studiejaar aan 'n universiteit voltooi het, 'n sertifikaat van die registrateur van daardie universiteit indien ten effekte dat hy tot die tweede studiejaar toegelaat is; of".

No. R. 2506 9 November 1979

THE SOUTH AFRICAN PHARMACY BOARD

REGULATIONS RELATING TO LIMITED REGISTRATION AS A PHARMACIST

The Minister of Health has, in terms of section 17 of the Pharmacy Act, 1974 (Act 53 of 1974), on the recommendation of the South African Pharmacy Board, amended the Regulations relating to Limited Registration as a Pharmacist, published under Government Notice R. 1149 of 2 June 1978, as follows:

Add the following after the words "Florida (USA)":

"Bachelor of Science in Pharmacy—The University of Iowa (USA)

Bachelor of Pharmacy—The University of Karachi (India), provided the holder thereof is registered with the Pharmaceutical Society of Great Britain as a Pharmaceutical Chemist or Chemist and Druggist.".

No. R. 2506 9 November 1979

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES BETREFFENDE BEPERKTE REGISTRASIE AS 'N APTEKER

Die Minister van Gesondheid het kragtens artikel 17 van die Wet op Aptekers, 1974 (Wet 53 van 1974), op aanbeveling van die Suid-Afrikaanse Aptekersraad, die Regulasies betreffende Beperkte Registrasie as 'n Apteker, afgekondig by Goewermentskennisgewing R. 1149 van 2 Junie 1978, soos volg gewysig:

Voeg die volgende in na die woorde "Florida (VSA)":

"Baccalaureus Scientiae in Farmasie—die Universiteit van Iowa (VSA)

Baccalaureus in Farmasie—Die Universiteit van Karachi (Indië), mits die houer daarvan as 'n 'Pharmaceutical Chemist' of 'Chemist and Druggist' by die Aptekersvereniging van Groot-Brittanje geregistreer is.".

P.T.O.

processes is essential; and the division
the more discriminating public decisions c

The results of programme budgeting may be v
the mere procedure does not necessarily ens
be made. Their potential is realised only
of the value of expenditure in each programm

2.2 Programme Evaluation

Methods of evaluation range from simple proce
where the conclusions are left largely to int
processes which present more or less clear-cu
precise methods, most of the value judgements
in advance. Some points on the spectrum bet
analysed below.

2.3 Looking at Expenditure

Basically, one is looking for inconsistencies
logical axiom, basic to economics, is that a r
mately the same value in whichever programme i
social benefit from the marginal expenditure o
that on another, one can do better by withdraw
programme and increasing expenditure on the fi
a breakdown of the budget between programmes, t
may be compared with our intuitive notions of h
on these things. Our judgement will depend on
fits of expenditure under each programme to be,
analysis seeks to formalise (see below). For
that expenditure on preventive medicine constit
expenditure on health,[11] it may be felt that t
of provision warrant an increase in the share o

Unfortunately, such intuitive processes can pic
congruities which are recognised by all, whatev
used. The optimum level of expenditure on a pa
from the point of view of intuitive judgement, h
the wide variation in benefits attributable to a

9 November 1979

No. R. 2508

THE SOUTH AFRICAN PHARMACY BOARD

REGULATION RELATING TO DEGREES, DIPLOMAS AND CERTIFICATES OBTAINED OUTSIDE THE REPUBLIC BY SOUTH AFRICAN CITIZENS WHICH ENTITLE THE HOLDER TO REGISTRATION AS A PHARMACIST

The Minister of Health has, in terms of section 18 of the Pharmacy Act, 1974 (Act 53 of 1974), as amended, on the recommendation of the South African Pharmacy Board, amended the regulation relating to degrees, diplomas and certificates obtained outside the Republic by South African citizens which entitle the holder to registration as a pharmacist, published under Government Notice R. 1473 of 1

9 November 1979

No. R. 2509

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIE BETREFFENDE GRADES, DIPLOMAS EN SERTIFIKATE BUITE DIE REPUBLIEK DEUR SUID-AFRIKAANSE BURGERS BEHAAL, WAT DIE BESITTERS DAARVAN VERWERF VAN DIE REGISTRASIE AS APTEKERS VERLEEN

Die Minister van Gesondheid het kragtens artikel 18 van die Wet op Apteke, 1974 (Wet 53 van 1974), soos gewysig, op aanbeveling van die Suid-Afrikaanse Apteserraad die regulasie betreffende grade, diplomas en sertifikate deur Suid-Afrikaanse burgers buite die Republiek verwerf wat die houers daarvan die reg op registrasie as apteker verleen, afgekondig by Goewermentskennisgewing R. 1473 van 1

9 November 1979

No. R. 2509

THE SOUTH AFRICAN PHARMACY BOARD

REGULATION RELATING TO THE DEGREES, DIPLOMAS AND CERTIFICATES, GRANTED AFTER EXAMINATION OUTSIDE THE REPUBLIC, WHICH ENTITLE THEIR HOLDERS TO REGISTRATION AS PHARMACISTS

The Minister of Health has, in terms of section 16 of the Pharmacy Act, 1974 (Act 53 of 1974), as amended, on the recommendation of the South African Pharmacy Board, amended the regulation relating to the degrees, diplomas and certificates, granted after examination outside the Republic, which entitle their holders to registration as Pharmacists, published under Government Notice R. 1474 of 1 August 1975, as amended by Government Notices R. 1380 of 30 June 1978 and R. 1380 of 29 June 1979, as follows:

1. By the substitution in paragraph (a) (i) for the words "University of Cardiff" of the words "University of Wales".

9 November 1979

No. R. 2509

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIE BETREFFENDE DIE GRADE, DIPLOMAS EN SERTIFIKATE, TOEGEKEN NA DIE AFNEEM VAN EKSAMENS BUITE DIE REPUBLIEK, WAT DIE HOUERS DAARVAN DIE REG OP REGISTRASIE AS APTEKERS VERLEEN

Die Minister van Gesondheid het kragtens artikel 16 van die Wet op Apteke, 1974 (Wet 53 van 1974), soos gewysig, op aanbeveling van die Suid-Afrikaanse Apteserraad, die regulasie betreffende die grade, diplomas en sertifikate toegeken na die afneem van eksamens buite die Republiek, wat die houers daarvan die reg op registrasie as apteker verleen, afgekondig by Goewermentskennisgewing R. 1474 van 1 Augustus 1975, soos gewysig by Goewermentskennisgewings R. 1380 van 30 Junie 1978 en R. 1380 van 29 Junie 1979, soos volg gewysig:

1. Deur in paragraaf (a) (i) die woorde "University van Cardiff" deur die woorde "Universiteit van Wales" te vervang.

9 November 1979

No. R. 2508

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIE BETREFFENDE GRADES, DIPLOMAS EN SERTIFIKATE BUITE DIE REPUBLIEK DEUR SUID-AFRIKAANSE BURGERS BEHAAL, WAT DIE BESITTERS DAARVAN VERWERF VAN DIE REGISTRASIE AS APTEKERS VERLEEN

Die Minister van Gesondheid het kragtens artikel 18 van die Wet op Apteke, 1974 (Wet 53 van 1974), soos gewysig, op aanbeveling van die Suid-Afrikaanse Apteserraad die regulasie betreffende grade, diplomas en sertifikate deur Suid-Afrikaanse burgers buite die Republiek verwerf wat die houers daarvan die reg op registrasie as apteker verleen, afgekondig by Goewermentskennisgewing R. 1473 van 1 August 1975, soos gewysig by Goewermentskennisgewings R. 1379 van 30 Junie 1978 en R. 1379 van 29 Junie 1979, soos volg gewysig:

1. Deur in paragraaf (b) (i) die woorde "University van Cardiff" deur die woorde "Universiteit van Wales" te vervang.

Yaws	-	++

* Added to test scoring method

(96)

RAPPORT 2/12/79

Minister kry brief oor duur medisyne

Deur THINUS PRINSLOO

PRAKTYKE wat na bewering veroorsaak dat die publiek medisyne peperduur moet koop, omdat onreëlmatige verkooptegnieke veroorsaak dat 'n mededinger se produkte wat meer as 1 000 persent goedkoper is, nooit op apteekrakke beland nie, is op ministersvlak aanhangig gemaak.

Die grootste verskaffer van farmaseutiese produkte aan apteke in Suid-Afrika, South African Druggists, is by dr. Schalk van der Merwe, Minister van Verbruikersake, verkla omdat hy na bewering die publiek „'n rat voor die oë draai" en besig is om 'n „monopolistiese blok" te vorm.

Daar word beweer dat die maatskappy se verspreidingstegnieke veroorsaak dat die publiek en aptekers onder die indruk gebring word dat goedkoop medisyne „uit voorraad" is terwyl dit na bewering nie die geval is nie.

Mnr. Willem Bal, voorsitter van die farmaseutiese maatskappy Superol, het dié klagtes by dr. Van der Merwe en die Suid-Afrikaanse Vereniging van Kleinhandelaptekers aanhangig gemaak.

Mnr. Bal het ook 'n brief met dieselfde klagtes aan SA Druggists gerig. In die brief (die maatskappy was by navraag nie seker of hy dit ontvang het nie) maak hy „ten sterkste beswaar teen die onetiese toedrag van sake" wat veroorsaak dat apteke en hul klante onder 'n wanindruk gebring word.

SA Druggists ontken die bewering en sê hy is heeltemal bereid om enige medisyne te verkoop op voorwaarde dat daar 'n groot genoeg vraag is.

Mnr. Bal beweer die knoop lê nie by die vraag nie, en dat hy oorval word deur mense wat sukkel om sy goedkoop — en volgens hom ewe doeltreffende — medisyne in die hande te kry. Na bewering probeer SA Druggists sekere medisyne „beskerm".

Die rusie gaan oor Superol se mondwas-, gorrel- en neussproeimiddel wat vir sinus, hooikoors en mondsere gebruik word. Mnr. Bal beweer een tablet hiervan — wat 12c kos — en wat in 200 ml water opgelos word, het dieselfde geneeskrag as 'n bottel Oraldine en Cepacol, wat vir onderskeidelik R1,60 en R1,50 per bottel verkoop word.

In sy brief aan SA Druggists sê mnr. Bal dat sy maatskappy self begin navraag doen het by takkantore van SA Druggists en dat hy toe moes hoor dat Superol „uit voorraad is".

Volgens mnr. Bal wil SA Druggists net nie sy produk versprei nie. Dis onwaar om te sê dis uit voorraad.

In sy brief vra hy dat SA Druggists openlik aan apteke moet sê as hulle nie 'n middel wil versprei nie, en nie doelbewus valse inligting moet verstrek nie.

In sy brief aan dr. Van der Merwe ('n amptenaar by die departement het ontvangs erken) skryf mnr. Bal dat hy takkantore van SA Druggists in Johannesburg, Pretoria, Springs, Kemptonpark en Bloemfontein opgebel het. Hy vra 'n kans om die Minister nader toe te lig oor die toedrag van sake.

Die groepadministrateur van SA Druggists, mnr. L. R. Morris, sê mnr. Bal se beweringe is laf. As daar 'n genoegsame vraag na 'n produk is, word dit aangehou en verkoop.

Mnr. Bal sal onthou dat hy 'n ontmoeting met my gehad het ('n paar jaar gelede) en dat ek hom die versekering gegee het dat ons sy produk sal aanhou as die vraag daar is . . .

„Ek is baie verbaas dat hy aan die Regering geskryf het oor 'n saak sonder om na my terug te verwys. Ek het aan al ons takke geskryf en hulle die naam en adres van mnr. Bal se maatskappy gegee."

Mnr. Morris sê as mnr. Bal die saak wil regstel, moet hy met hom in verbinding tree. Hy sal weer 'n memorandum aan takkantore stuur.

Oor mnr. Bal se bewering dat hy by takkantore meegedeel is dat Superol uit voorraad is, sê mnr. Morris: „Dis moontlik. Ons het baie mense in diens. Dalk het hy met één van ons telefoonbestelklerke gepraat. Dié kon deurgebel en heeltemal tereg gesê het dat ons niks in voorraad het nie . . ."

12/12/79 DD

Commission of inquiry into medical schemes

PRETORIA — A commission of inquiry would investigate all aspects of medical aid schemes, as part of a full inquiry into health services, the Minister of Health, Dr L. A. P. A. Munnik, said yesterday.

The Hon Mr J. W. Haak, has been appointed chairman of the commission, which will issue an interim report on medical schemes within three months of its appointment.

As an interim measure, until the commission reported, draft legislation will be gazetted today, concerning the present tariff of fees for services, as the SA Medical and Dental Council has decided to review tariffs.

Dr Munnik said he hoped the commission would be able to remove the unpleasantness that has accompanied the determination of tariffs.

"I hope they will be able to find an acceptable formula to calculate the cost of health services, so that suppliers receive reasonable incomes and patients were assured that they were paying reasonable fees."

The commission will make recommendations regarding the scope and cost structure of health services in both public and private sectors.

"This is with a view to rationalising services and making them more effective, as well placing costs on a sound and firm basis," Dr Munnik said.

He said the tariff of fees for services by medical practitioners and dentists, to members of medical schemes, had made it an appropriate time to appoint such a commission.

Some of the terms of reference of the commission are:

- The rationalisation of medical schemes. An investigation of their administrative costs, assets and reserves, profits and/or compensation of entrepreneurs, use of manpower, the extent of coverage.
- The investigation into the extent to which the recommendations of a previous commission of inquiry into the pharmaceutical industry, have been implemented.
- To determine what influence pharmaceutical manufacturers have had on the cost of medicine.
- To investigate the implementation of the recommendations of a previous commission of inquiry into private hospitals and unattached operating theatres.
- To investigate the provision of medical services by state, provincial and local authorities.
- The incomes and fringe benefits of medical practitioners, dentists and supplementary health service personnel.
- Excessive use by patients of medical services.

The commission will publish an interim report of medical schemes three months after its appointment. It will issue interim reports on various facets of its terms of reference and will appoint committees to investigate these various facets.

Professor J. N. de Klerk, chairman of the Federal Council of the Medical Association of South Africa, MASA, said last night he welcomed the appointment of the commission "with open arms."

"We have stated all along we would support a commission and are only too happy it has been appointed." — DDC.

Munnik sees new role for pharmacists

(96)

RDM 6/5/80.

EAST LONDON. — It is time to give the pharmacist greater recognition, make him advisor to the family and a pillar of strength for the State, the Minister of Health, Dr Lapa Munnik said yesterday.

Opening the 35th annual general meeting of the Pharmaceutical Association in East London, Dr Munnik said in view of the present manpower shortage the time had come to look anew at the role of the pharmacist and how optimum use could be made of his services.

"I would like to ask the pharmaceutical profession to play a more prominent role in the provision of a comprehensive health service and to become more involved in the free distribution of health information and pamphlets.

"You are regarded as the guardian of the public as far as the use of medicines are concerned.

"It is necessary that you fully advise your client about the medicine you are supplying him with."

The Minister said that with the shortage of medical doctors, especially on the platteland, pharmacists had an important role to play in providing the public with advice and information about medical and health services.

The rural pharmacist could be of further invaluable assistance to the public by catering for the farmer in the stocking of, and becoming an expert on, veterinary products.

"I see the retail pharmacy as being a valuable asset in any community in South Africa and I believe there should be greater co-operation between the State and retail pharmacy."

Dr Munnik said the Prime Minister's call for greater participation by the private sector in the rendering of services to the State reinforced in practice the democratic principle that the free enterprise system should not only be acknowledged but should be assisted and stimulated by the State.

This would ensure that the broad spectrum of the population would enjoy the benefits of a pharmaceutical service being rendered to them.

"Your contribution in the rendering of health services in your country should be in the spirit of greater co-operation with all concerned to ensure that not only personal gain is to be achieved, but also to fulfil your role to the benefit of both the public and the State wherever possible." — Sapa.

nation tour of Africa.

Drug trading practices hit at

Pretoria Bureau

THE Board of Trade and Industries has recommended to the Minister of Industries and Commerce, Dr Schalk van der Merwe, that certain monopolistic conditions in the supply and distribution of pharmaceutical products be prohibited.

In a report to the Minister, the board said it could find no justification for a system in which wholesalers retained uniform profit margins, either through the Wholesale Drug Association, or through the joint action of its members.

Uniform profit margins did not allow for economic profit forces, like turnover rate and the life span products.

The board found no evidence to justify the co-operation of manufacturers in bringing about uniform tender prices and conditions.

Although the board believed the granting of financial aid by wholesale to retail pharmacies would be justified, it felt that compulsory purchases exceeding 50% were unreasonably high.

There was no justification, either, for a pharmacy being compelled to buy a certain percentage from the relevent wholesaler for a period after the loan had been redeemed.

The board condemned the action of the South African Retail Chemists and Druggists Association in encouraging members to boycott suppliers who failed to restrict the sale of certain products to retail pharmacies.

It found, too, that there were no conditions justifying a practice in which manufacturers or suppliers witheld supplies from a wholesaler who was not a member of the National Wholesale Drug Association.

GENERAL NEWS

Board hits at monopolies of pharmacists

STAR 20/6/80

96

Pretoria Bureau

The Board of Trade and Industries has deplored monopolistic practices in the supply and distribution of pharmaceutical products in South Africa.

The board has recommended that the monopolistic conditions be prohibited in terms of the Maintenance and Promotion of Competition Act.

The board report was prepared in November 1978, but was released for the first time today in the Government Gazette by the Minister of Commerce and Consumer Affairs, Dr van der Merwe.

"UNJUSTIFIED"

The report says: "In the opinion of the board certain of these monopolistic conditions cannot be justified in the public interest."

The board could not justify the system in which wholesalers maintained uniform wholesale profit margins in distributing certain pharmaceutical products.

"Such uniform profit margins do not make allowance for economic principles such as rate of turnover, life-span or products, cost of handling or differences in the nature and quality of the services supplied by various wholesalers," the report says.

COLLUSION

The board also condemns collusion by manufacturers in bringing about uniform tender prices.

"The board could find nothing to justify in the public interest the action of the Retail Chemists and Druggists Association in encouraging its members to boycott suppliers who fail to restrict the sale of certain pharmaceutical products to retail pharmacies only."

GOVERNMENT NOTICES

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

No. R. 1262 20 June 1980

MAINTENANCE AND PROMOTION OF COMPETITION ACT, 1979

INVESTIGATION INTO MONOPOLISTIC CONDITIONS IN THE SUPPLY AND DISTRIBUTON OF PHARMACEUTICAL PRODUCTS IN THE REPUBLIC OF SOUTH AFRICA

I, Schalk Willem van der Merwe, Minister of Commerce and Consumer Affairs, do hereby publish in terms of section 14 read with section 21 of the Maintenance and Promotion of Competition Act, 1979 (Act 96 of 1979), Report 1884 (M), dated 14 November 1978, of the Board of Trade and Industries, in connection with an investigation into monopolistic conditions in the supply and distribution of pharmaceutical products in the Republic of South Africa, as in the Schedule hereto.

DR S. W. VAN DER MERWE, Minister of Commerce and Consumer Affairs.

SCHEDULE

REPUBLIC OF SOUTH AFRICA

BOARD OF TRADE AND INDUSTRIES

REPORT 1884 (M)

INVESTIGATION INTO MONOPOLISTIC CONDITIONS IN THE SUPPLY AND DISTRIBUTION OF PHARMACEUTICAL PRODUCTS IN THE REPUBLIC OF SOUTH AFRICA

CHAPTER I

TERMS OF REFERENCE, SCOPE AND METHOD OF INVESTIGATION

Terms of reference

1. On 10 July 1975 the Board was directed by the Minister of Economic Affairs, in terms of section 3 (1) (a) of the Regulation of Monopolistic Conditions Act, No. 24 of 1955, hereinafter referred to as the Act, to investigate the existence or otherwise of monopolistic practices in the supply and distribution of pharmaceutical products in the Republic of South Africa.

Interpretation of the terms of reference

2. For purposes of this investigation the Board interpreted the expression "pharmaceutical products" as being scheduled and unscheduled medicines intended for human use, either internally or externally. Cosmetics and veterinary preparations, in so far as these could be excluded from the activities of the relevant organisations, were not covered by this investigation. Accessories such as surgical tubes and valves, bandages, plasters and cotton wool, except medical instruments (such as syringes, scalpels and stethoscopes), were also included in pharmaceutical products. In terms of the Medicines and Related Substances Control Act, No. 101 of 1965, medicine is defined as "any

GOEWERMENTSKENNISGEWINGS

DEPARTEMENT VAN HANDEL EN VERBRUIKERSAKE

No. R. 1262 20 Junie 1980

WET OP DIE HANDHAWING EN BEVORDERING VAN MEDEDINGING, 1979

ONDERSOEK NA MONOPOLISTIESE TOESTANDE BY DIE VERSKAFFING EN VERSPREIDING VAN FARMASEUTIESE PRODUKTE IN DIE REPUBLIEK VAN SUID-AFRIKA

Ek, Schalk Willem van der Merwe, Minister van Handel en Verbruikersake, publiseer hiermee kragtens artikel 14 saamgelees met artikel 21 van die Wet op die Handhawing en Bevordering van Mededinging, 1979 (Wet 96 van 1979), Verslag 1884 (M), gedateer 14 November 1978, van die Raad van Handel en Nywerheid in verband met 'n ondersoek na monopolistiese toestande by die verskaffing en verspreiding van farmaseutiese produkte in die Republiek van Suid-Afrika, soos in die Bylae hierby.

DR. S. W. VAN DER MERWE, Minister van Handel en Verbruikersake.

BYLAE

REPUBLIEK VAN SUID-AFRIKA

RAAD VAN HANDEL EN NYWERHEID

VERSLAG 1884 (M)

ONDERSOEK NA MONOPOLISTIESE TOESTANDE BY DIE VERSKAFFING EN VERSPREIDING VAN FARMASEUTIESE PRODUKTE IN DIE REPUBLIEK VAN SUID-AFRIKA

HOOFSTUK I

OPDRAG, OMVANG EN METODE VAN ONDERSOEK

Opdrag

1. Die Raad het op 10 Julie 1975 van die Minister van Ekonomiese Sake opdrag ontvang om kragtens artikel 3 (1) (a) van die Wet op Reëling van Monopolistiese Toestande, No. 24 van 1955, hierna genoem die Wet, ondersoek in te stel na die bestaan al dan nie van monopolistiese praktyke by die verskaffing en verspreiding van farmaseutiese produkte in die Republiek van Suid-Afrika.

Interpretasie van die opdrag

2. Die Raad het vir doeleindes van die ondersoek, die begrip "farmaseutiese produkte" vertolk as geskeduleerde en ongeskeduleerde medisyne wat vir menslike gebruik bestem is, hetsy inwendig, hetsy uitwendig. Skoonheidsmiddels en veeartsenypreparate, in soverre dit van die aktiwiteite van die betrokke organisasies uitgesluit kan word, het nie deel van die ondersoek gevorm nie. Bykomstighede soos chirurgiese buise en kleppe, verbande, pleisters en watte, maar nie doktersinstrumente (soos spuite, snymesse en gehoorbuise) nie, is ook ingesluit by farmaseutiese produkte. Ingevolge die Wet op die Beheer van Medisyne en Verwante Stowwe, No. 101 van 1965, word medisyne beskryf

FAIR DEAL

A drug on the market is bitter pill to swallow

By Gary Norton

The price of medicines is a touchy issue nowadays. More and more consumers are querying what they call the "exorbitant" costs of prescription drugs and "professional fees" charged by pharmacists.

But pharmacists are claiming they can no longer survive on the small profits they make on medicines.

What determines the costs of medicines in this country?

Only prescription drugs (schedule three and over) are price controlled.

Drug manufacturers set suggested retail prices for their medicines. To increase these prices, they must obtain the approval of the Price Controller in Pretoria.

Delivery costs

According to Mr Boet van der Merwe, head of the Pharmaceutical Society, pharmacists are allowed to make no more than 25 percent profit on the cost price of prescription medicines.

And the society considers it "unethical" conduct to sell prescribed drugs at more or less than the suggested retail price, he says.

"To police this we have a very complex system of checking accounts received by medical aid societies against a directory of drug prices," he told Fair Deal.

"To the consumer, the cost of prescription medications is as much of a mystery as an Agatha Christie novel. In my opinion, the pharmaceutical industry in South Africa is sucking the consumer dry." — Mr Eugene Roelofse, consumer ombudsman of the South African Council of Churches.

high? There are many theories.

● At least two Johannesburg medical doctors believe consumers themselves are partly to blame for the seemingly high tariffs charged by pharmacists.

One doctor said pharmacists could probably save a fortune in overhead costs if members of the public would only stop phoning chemists demanding that products such as cosmetics be delivered.

Mrs Joy Hurwitz, president of the Housewives' League, countered this by challenging pharmacists to lower their prices, should the public agree that only urgent medications be delivered in future.

A Sandton pharmacist said: "I doubt that chemists could ever reach consensus on the issue of cutting down on their mo-

would simply take over his business.

"I must admit that I think I could save about 15 percent on one month's overheads if I reduced my delivery fleet," he said.

Rubber ducks

Meanwhile nine Johannesburg pharmacists have condemned the "professional fee" they charge for dispensing a script — 50c (excluding tax) — as too low to help meet their overheads.

"Chemists today may very well look like supermarkets, selling as we do, everything from rubber ducks to toilet paper. But this is not our fault because we are obliged to think up all sorts of ingenious ways of earning more capital to keep going," a Randburg pharmacist told Fair Deal this week.

identical medications on the market.

According to the 1978 report of the Steenkamp commission of inquiry into the pharmaceutical industry, there was a definite overabundance of drugs on the South African market.

As an example, the commission said there were 106 anti-rheumatic preparations, while the Transvaal Provincial Administration thought six were adequate to serve the purpose.

The commission also criticised doctors for their lack of price consciousness. The commission found that more than a third of doctors questioned by it knew nothing at all about prices of medications, while 11 percent said they knew prices "sometimes."

At present, there is no directory of current drug prices available to the public. Although most doctors have access to a drug price index, Fair Deal found that only two of the 10 doctors questioned ever consulted the index before prescribing medications for their patients.

Breaking bulk

Nearly half the doctors phoned by Fair Deal suggested special brochures of prescription drug prices and pharmacy charges be issued. Circulation to the public should be done by the Department of Health. The public would then be more aware of drug prices when they had a prescription made up, doctors said.

But Mr P F Retief, head of Pharmaceutical Services of the Department of Health, said: "We don't need such a publication because members of the public and institutions are welcome to write to the department or one of its regional offices at any time to query drug prices or increases."

● At least one consumer organisation has questioned the costs charged by chemists for "breaking bulk."

According to Mr van der Merwe, pharmacists may charge a set "professional fee" if they have to break manufacturers' packs to meet a particular prescription.

This fee for "breaking bulk" — if amounts to 10 percent of the recommended retail price of the quantity prescribed.

If a prescription was for 10 tablets and the manufacturers packed in 100s, a broken bulk charge of 10 percent would be levied by the pharmacist on the pre-taxed retail price of the tablets, Mr van der Merwe said.

The Housewives' League of South Africa has asked whether the charges made on breaking bulk could not be avoided.

A spokeswoman for the League said: "Surely doctors could check their price and quantity indices before drawing up their prescriptions, so avoiding these exorbitant charges altogether?"

A Bryanston doctor told Fair Deal that doctors prescribed what they considered to be ideal for the patient in question.

"I think manufacturers should pack their products in smaller quantities for flexibility when prescribing medicines," he said.

But a spokesman for a local drug manufacturer said: "Our packing is done after extensive tests of new drug inventions. We pack our products according to what we find to be the best therapeutic dosage."

When asked by Fair Deal if 10 percent was perhaps an excessive tariff, Mr van der Merwe said: "Charging for breaking bulk is standard practice in order to cover possible waste.

"If, for example, capsules are left after bulk has been broken and no prescription is received prior to the expiry of the capsules, they must be destroyed. This is done at considerable loss to the pharmacist," he said.

Mr van der Merwe noted the new Medicines and Substances Control Act (1978) permitted a pharmacist to dispense drugs 25 percent less or more amount in order to avoid breaking bulk. This applied only to drugs up to (and including) schedule four.

Sales tax

"So if a prescription for 16 tablets was brought in, under the new Act the pharmacist may dispense a minimum of 12 or a maximum of 20 tablets, instead of the 16 (depending how the tablets are packed by the manufacturer). It is simply a safety feature to protect the pharmacist financially," he said.

● Three leading consumer protection groups are campaigning for the Government to make prescription drugs exempt from sales tax.

The Springs branch of the Housewives' League has started an investigation into drug increases over the past few years. Any who feel they have information about price increases of prescription drugs are asked to write to 1560.



How the prices are determined

	Prescribed Medicines	
	Inderal 10 mg Tablets	Ecmicillin 250 mg Capsules
Quantity Prescribed	30	40
Nearest Size Manufacturer's Pack	50 TABS	20 CAPS
"Retail" price of Manufacturer's Pack (January 1979)	R3,82	R3,06
"Retail" price of Prescribed Quantity	R2,30*	R6,12 (Two packs of 20)
Bulk Breakage Fee of 10%	23c	Not Applicable
Pharmacist's "Professional Fee"	50c	50c
SUB-TOTAL	R3,05*	R6,62
4% GST	12c	26c
TOTAL	R3,17	R6,88
Difference between the "Retail" price of the drugs and the final price charged	87c 38%	76c 12%

Special fees charged by pharmacists for dispensing push up the price of drugs considerably. Fair Deal asked Mr Boet van der Merwe, director of the SA Pharmaceutical Society, to explain how pharmacists arrived at their final prices. The table above shows what a pharmacist would charge a customer for two common prescription drugs, and how he would arrive at those prices. Fair Deal chose the drugs and the quantities on the advice of a doctor. The two amounts marked with asterisks have been "rounded off" to the next highest multiple of five. Mr van der Merwe said "rounding

RDM 14/8/80

Munnik pushes for better use of pharmacists

96

CAPE TOWN. — Serious consideration should be given to using the hospital pharmacist far more than at present, the Minister of Health, Dr L A P A Munnik, said last night.

"I believe that the hospital pharmacist is today the most expert logistician in regard to medicine and pharmaceutical and medical appliances," he said.

Dr Munnik, who was addressing the annual meeting of the Cape branch of the South African Association of Hospitals and Hospital Pharmacists at Milnerton, said he saw the rendering of a comprehensive pharmaceutical service in hospitals of the utmost importance to both the patient and the hospital itself.

He emphasised the importance of the hospital pharmacist, saying it appeared that their worth was not always realised.

"I am convinced that he is not always fully used in all places for the task for which he is trained.

"It is essential that you as hospital pharmacists become more involved in the cost effectiveness of your service."

The superintendent of a hospital should make use of their knowledge and expertise to implement systems from which savings could flow, said Dr Munnik.

Serous consideration should be given to using hospital pharmacists far more than at present and possibly requiring them in future to perform such functions as:

- Ambulatory patient consultation which would result in benefits such as improved patient compliance, a reduction of dosage errors by patients, a reduction in medication misuse and more efficient use of personnel;
- Supplying information on medicine which would ensure appropriate therapy, a reduction of medicine therapy problems and that correct dosing was used;
- Monitoring of medicine for acute care and long-term patient care. This would enhance the detection of therapeutic failure, detection of adverse reactions, detection of the need for a change in therapy and improved therapeutic response. response.

The hospital pharmacist should also become more personally involved in patient care.

"He must no longer remain on the periphery by only being the supplier of a commodity. Education regarding the correct use of medicine is the pharmacists' professional responsibility," Dr Munnik added. — Sapa.

PHARMACY FM 7/11/80 (96)

Computer mess

Bennett ... . 'bloody annoyed' over hold-ups

The southern Transvaal branch of the Pharmaceutical Society of SA (PSSA) and its wholly-owned subsidiary, the TPS Mutual Trust (TPSMT), have come under criticism from many of the 1 200 southern Transvaal chemists over delays in medical scheme payment redistribution and the amount of administrative work necessary to comply with TPSMT regulations.

Wendywood chemist Basil Bennett, for one, is indignant. "Why should I have to belong to the Pharmaceutical Society, and then have them take so long to pay me my money? I'm bloody annoyed."

The southern Transvaal branch is enfranchised by the PSSA, the trade association of the country's approximately 2 000 chemists. There are four regional PSSA branches operating a "checking service" to compile prescriptions submitted by individual chemists for payment by the estimated 100 medical schemes the PSSA has contracted to handle their bookkeeping.

The TPS Mutual Trust is a "checking service," handling about 300 000 prescriptions a month, including all of the government-sponsored medical programmes.

It is estimated that the various medical schemes cover over 2m SA workers and their dependants.

Bennett claims that he has had to wait from four to eight months to get paid by the TPS Mutual Trust, forcing him to carry about R4 000 a month in credit overdrafts. He says he once had credit outstanding of R27 000. "And by the time I finally do get paid," Bennett says, "I don't get 100 cents in the rand. I figure that with the discounts, brokers' fees and the cost of the credit, I'm losing about 20%. We're financing their operations."

A survey of the three other payment offices revealed that the normal lag is between 30 and 45 days. One branch, the eastern Cape office located in Port Elizabeth, advances its chemists the money before the medical schemes actually pay them, for which they charge a 1% fee.

David Boyce, chairman of the southern Transvaal PSSA branch and a director of the TPS Mutual Trust, concedes that the group has been aware of the problems. "We recognise that the service to the chemists has been far below what we should be offering them. It's basically due to our failure to cope with the changes brought on with computerisation of the process. We also had a complete breakdown in the system last winter for about three weeks. That really hurt us."

The switch to a completely computerised bookkeeping system, which began 18 months ago, caught the TPS Mutual Trust staff unprepared, Boyce says. "We've come to grips with the problems now," he insists. "But we've spent since last June trying methodically to restructure the company. What happened was we did not properly assess our staff requirements."

Bill Bannatyne, a member of the PSSA executive committee, insists that the group is "over the hump" of its difficulties. "People are just scared of computers and of change. But you have to remember that it's a very complex programme. Each medical scheme that we contract with has their own individual programme operating, so we can't really condense the workload."

Meanwhile, the TPSMT held a meeting for the Vaal Triangle area chemists on September 23 to explain the problems and ask for patience while the system caught up with the delayed prescriptions. Bennett did not attend. "We've had all this hot air for 30 years," he fumes. "And I'm tired of it."

Health & Diseases

Pharmacists

1981

to

1982

RDM 6/2/8 (96)

Pharmacists are sentenced

Own Correspondent

CAPE TOWN. — Sentences on four pharmacists, three of whom were suspended from practice and a fourth reprimanded and cautioned, were confirmed at this week's meeting of the South African Pharmacy Board in Cape Town.

A Johannesburg pharmacist, Mr Manilal Jainar Jhina, was charged with trading in a prohibited dependency-producing drug and failing to keep a proper register of drugs.

He was found guilty of improper conduct on the first count and sentenced to suspension from practice for three months from April 1. On the second count he was reprimanded and cautioned.

Mr Israel Leslie Hirschon, of Johannesburg, was found guilty of improper conduct for having 65 tablets of a prohibited drug in stock and failing to keep a proper drug register. He was reprimanded and cautioned.

Mr Vinaichandre Dayaram, of Tongaat, Natal, was found guilty of disgraceful conduct in altering prescriptions and defrauding the Natal Indian Medical Scheme. He was suspended for three months from April 1.

Mr Mahilal Mistry, of Durban, was found guilty of leaving his pharmacy in the care of a person other than a qualified pharmacist. He was sentenced to suspension from practice for one month. The sentence was suspended for a year.

All sentences were given at previous disciplinary hearings but were subject to confirmation at this week's meeting of the Pharmacy Board.

Boland chemists angry over new state clinics

CT 23/4/81 96

Staff Reporter

STATE-RUN health clinics are jeopardizing the retail pharmacy business in the Boland and place unauthorized persons in charge of prescribed medicines, according to an executive member of the Pharmaceutical Society of South Africa.

Mr Louis Rontgen, chairman of the Boland branch of the society, claimed yesterday that the Department of Health was further interfering with the practice of retail pharmacy in Wellington with the recent establishment of a daily clinic for pensioners and the indigent.

In a strongly worded letter circulated in Tincture News, the society's newsletter, Mr Rontgen recalled that in spite of assurances from "various politicians" that there would be no changes, clinics had been opened in Strand and Middelburgh (Tvl) without consultation with the profession.

These clinics delivered a service that could not be compared with the private sector, which operated at the convenience of the patient and did not keep office hours. To his "shock and surprise", Wellington had been landed overnight with a similar problem.

This had been aggravated by the fact that the clinic had no-one on duty who was authorized in terms of legislation controlling the issue of medicines. When this had been pointed out to the Department of Health, none of the officials had been aware of the rule, Mr Rontgen said.

"I want to know who is in control of the country – the elected representatives of the people, or the bureaucracy?" Mr Rontgen asked, and added that he forecast a "dark future" for the retail pharmacists in Wellington if there was no return to the free market system.

● Asked to comment on the letter, Mr Rontgen told the Cape Times that the Wellington clinic had taken the place of the District Surgeon's clinic, at which prescription were usually filled by one of three pharmacists in the town. Medicines were now issued directly to patients at the clinic.

A survey of pensioners and indigent patients had found that 90 percent were satisfied with the private service, 85 percent were not satisfied with health clinic service, and 90 percent wanted to return to the old system offered by retail pharmacists.

Complaints were that they never saw the same doctor twice, couldn't make appointments, they had to queue, and if they needed a prescription filled outside office hours they had to travel to Paarl

STAR 1/5/81 (96)

Move to increase prescription tariffs

Consumer Reporter

The South African Pharmacy Board has approved a 20c an item increase in the dispensing tariff for prescription medicines.

The increase, which is subject to confirmation by the Minister of Health, is expected to be introduced before the end of the year.

The higher tariff will bring the dispensing fee from 90c to R1,10 for each item on the prescription.

The dispensing fee was increased from 50c to 90c in 1979.

The new fee, coupled with the recent 15 percent increase in private hospital tariffs will place a burden on medical aid societies, and members' contributions may have to be increased.

Mr Glen Wigzell, secretary of the Johannesburg branch of the Argus Medical Aid Society, said medical aid schemes would probably wait to see if fees of doctors, dentists and physiotherapists were increased before deciding on higher contributions.

"If medical and dental tariff increases are substantial, serious thought will have to be given to raising medical aid contributions at the beginning of next year," he said.

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Even "minor ailments" such as a cough could be the first symptoms of something more serious.
A pharmacist said pharmacists were often the first public contact. "But as far as I know they should not be given any training in diagnosis "and be permitted to prescribe and prescribing. Mr C F Hunter, chairman of the Cape Midlands Pharmaceutical Society, asked why pharmacists should have more freedom in cases of ailments such as sports injuries, bruises, irritations and flu.

ADVICE

The chairman of the Eastern Province branch of Masa, Dr Angus Hofmeyr, said if a person had been trained and registered to diagnose he or she was entitled to do so. "But as far as I know pharmacists do not receive this training and if they had to, they might as well be doctors," he said.

He said pharmacists were highly qualified and were not being used to the full. "At present the Pharmaceutical Society is negotiating with the Department of Health and Masa but I believe it will be some time before the position changes."

The chairman of the Eastern Province branch of Masa, Dr Angus Hofmeyr, said if a person had been trained and registered to diagnose he or went to for medical advice and perhaps they should have more freedom in cases of ailments such as sports injuries, bruises, irritations and flu.

DIAGNOSIS

"A nurse is the extended arm of a doctor," said the spokesman. "Nurses perform an important service in rural areas."

Introducing the second reading of the Nursing Amendment Bill in Parliament, Dr Munnik said nurses had been given greater responsibilities to prevent collapse of public health services.

With a serious shortage of doctors in rural areas, pharmacists hope to play a bigger part in diagnosis and prescribing.

At community health centres in the Free State and the Cape, and clinics in Soweto, nurses were performing routine procedures usually done by doctors.

Qualified nurses have taken over some of the functions of doctors, and now pharmacists want to treat patients for minor complaints and prescribe medicines.

The Minister of Health, Dr Munnik said in Parliament last week that with staff shortages in the public sector qualified nurses were performing some of the functions of doctors and pharmacists.

A spokesman for the Medical Association of SA (Masa) said: "Doctors foresee that nurses will play a vital role in the functioning of community health centres which are planned for the Transvaal."

Pharmacists see staving off health crisis a role in

FINE ART & ARCHITECTURE

ARCHITECTURE

Cape Provincial Institute of Architects' Prize
For the best student in :-

Sixth Year

P F Dunckley

Helen Gardner Travel Prize
For a student who has satisfactorily completed 1st, 2nd and 3rd major courses.

P A Rappoport

Molly Gohl Memorial Prize
For the best woman student in third year.

Miss C Tredgold

David Haddon Prize
For the best student of Architecture (or Quantity Surveying) in the subject of Professional Practice.

D H Pryce Lewis

General J B M Hertzog Prize
For the best final year student.

Govt go-ahead due for big rise in dentists' fees

By GERALD REILLY
Pretoria Bureau

BIG rises in dentists' and physiotherapists' fees are expected to be approved at next week's pre-parliamentary session Cabinet meeting in Cape Town, according to Pretoria sources.

Dentists want 25% more and physiotherapists another 50%.

The Pretoria sources said the Minister of Health, Dr L A P A Munnik, had stalled his decision on the demands to the limit.

Legislation requires the Minister to respond to fee rise recommendations from the SA Medical and Dental Council within three months of demands being submitted.

His letter approving a 9,9% increase in doctors' fees earlier this month was received by the SAMDC "just inside the deadline".

The doctors' increases are effective from September 1.

Dr Munnik has until the end of July to announce his decision on the latest demands.

If he grants them, the combined effect with higher doctors' fees will be to load all-treatment costs — inevitably leading to higher rates for members of many medical aid schemes.

Another decision still facing Dr Munnik is an application from pharmacists for a 20% increase in dispensing fees.

In March last year the fee was raised from 50c to 90c. Pharmacists want this raised to R1,10.

29/7/81

STAATSKOERANT

(96)

VAN DIE REPUBLIEK VAN SUID-AFRIKA

GOVERNMENT GAZETTE

REPUBLIC OF SOUTH AFRICA

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CAPE TOWN, 29 JULY 1981

ALGEMENE KENNISGEWING

DEPARTEMENT VAN GESONDHEID, WELSYN EN PENSIOENE

Die volgende konsepwetsontwerpe word hierby vir algemene inligting en kommentaar gepubliseer.

Kommentaar daarop en vertoë daaromtrent moet voor of op 31 Augustus 1981 aan die Direkteur-generaal: Gesondheid, Welsyn en Pensioene, Posbus 3879, Kaapstad, 8000 gestuur word.

(a) Wysigingswetsontwerp op Gesondheid, 1982;
(b) Wysigingswetsontwerp op Vrugafdrywing en Sterilisasie, 1982;
(c) Wysigingswetsontwerp op Aptekers, 1982.

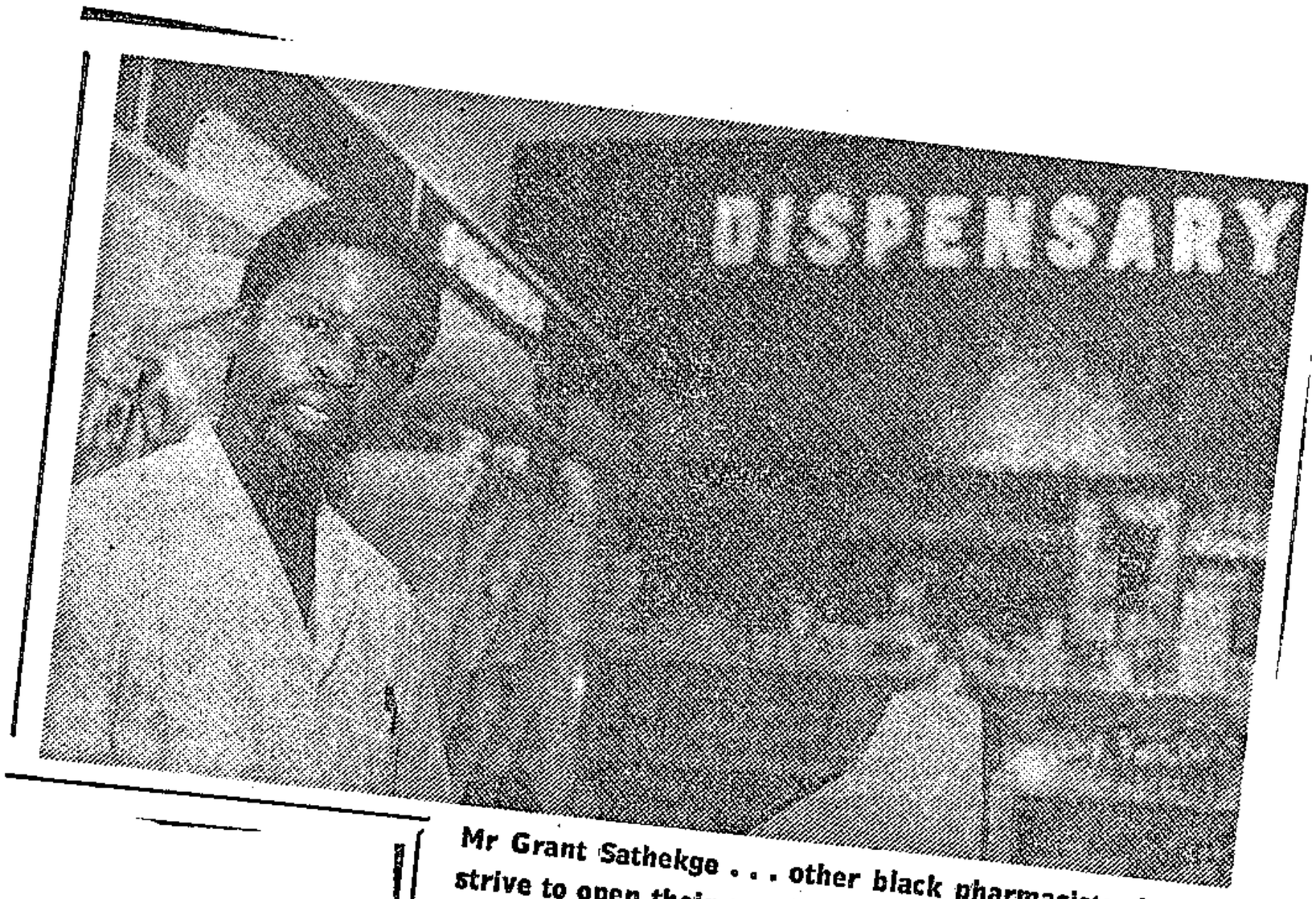
GENERAL NOTICE

DEPARTMENT OF HEALTH, WELFARE AND PENSIONS

The following Draft Bills are hereby published for general information and comment.

Any comment and representations thereanent should be forwarded to the Director-General: Health, Welfare and Pensions, PO Box 3879, Cape Town, 8000 on or before 31 August 1981.

(a) Health Amendment Bill, 1982;
(b) Abortion and Sterilization Amendment Bill, 1982;
(c) Pharmacy Amendment Bill, 1982.



Mr Grant Sathekge . . . other black pharmacists should strive to open their own businesses in Soweto.
● Picture by Kosini Nkosi.

Soweto's only pharmacist serves a million people

Star 12/18/81 96

By Khulu Sibiya

He has the unenviable task of serving more than a million people, but Soweto's single pharmacist — operating the only chemist shop in the vast township complex — takes it all in his stride.

Mr Grant Sathekge, who opened his shop at the Blackchain shopping centre four months ago obtained a BSc (Pharmacy) degree at the University of the North in 1974. He then spent a year at Livingstone Hospital in Port Elizabeth doing his practicals.

Mr Sathekge obtained a distinction pass in junior certificate and a first class pass in matric. He did two years medicine at Wentworth University before switching to pharmacy.

He says one chemist is not enough to cater for the people of Soweto, "but with more black people taking up pharmacy, we should not have problems in the years to come."

It was not easy for Mr Sathekge to start his own business. After graduating he was forced to work in town.

"I moved from one company to the other," he says. "But I think that helped me because I can now stand on my own."

He says he is confident that those who are presently doing pharmacy will open their own businesses after graduating.

Star 23/10/81 (96)

Another medical staff crisis

Senior medical technologists are leaving the profession because of poor pay and lack of status. Some essential services are being curtailed or stopped as a result, reports Pamela Kleinot.

Dedication to an interesting occupation like medical technology does not appease the bank manager or pay the grocer, says an editorial in the South African Journal of Medical Technology.

The editorial urges the responsible authorities to address themselves to the "cause of disgruntlement if those services complementary to medicine are to be rescued from the collapse that appears to be ahead.

"Those who determine salaries must realise that to many technologists the rewards at what seems to be the lower end of the pecking order do not justify the frustrations."

The editorial points out that experienced technologists are turning to other fields of employment where they can double their incomes by becoming representatives for commercial drug houses.

It says the shortage of technologists has reached critical proportions in South Africa and that services such as routine screening for genital cancer in women has had to be curtailed or stopped in some parts of the country.

Senior technologists told The Star in an interview that technologists were leaving the profession because of poor pay and lack of professional recognition in South Africa.

One senior technologist said he believed the root of the problem was that South African attitudes towards medical technologists were behind those of Europe, Britain and America where technologists were highly trained and given more professional status.

Although training in South Africa had improved it still remained inadequate.

Technologists with 12 to 15 years' experience could expect to earn R1 000 a month but had the advantage of a housing subsidy and the opportunity of working overtime to supplement their incomes.

Professor H J Koornhof, acting director of the South African Institute for Medical Research, conceded that the staff shortage was directly related to salaries but disagreed on the lack of status given to the profession and that there was inadequate training.

On training, he said the Advanced School for Medical Technology offered high-level courses in all disciplines and new techniques. He said students could also obtain B Sc degrees.

Professor Koornhof said he believed the work of medical technologists at the SAIMR was of a high standard and, despite the severe staff shortage, the standard of work was not being affected.

C+J - C+W.

Technologist shortage is critical

Star 23/10/87

96

By Pamela Kleinot

There is a critical shortage of medical technologists in South Africa. They are leaving the profession at an alarming rate to go to commerce and industry where they can earn double their pay.

The loss of technologists could have serious repercussions on diagnostic medicine, which involves the analysis of specimens that can be life-saving to patients.

Professor H J Koornhof, acting director of the South African Institute for Medical Research (SAIMR) said: "If the loss of technologists continues it may reach the stage where laboratory services in this country start deteriorating."

He also said lack of staff was preventing the opening of new laboratories in rural areas.

But Professor Koornhof denied the poor staff situation had caused a deterioration in SAIMR services in the past three years.

Senior technologists told The Star that lack of professional recognition and poor pay in South Africa was driving many technologists to commerce and industry.

Medical technologists — the "backroom boys" — play an important role in diagnostic medicine.

They work in a high-pressure situation and have to pore over thousands of specimens.

A technologist who is leaving the profession said financial rewards were not commensurate with the training and responsibility of the job.

With 12 years' experience he earns R900 a month — and has a wife and child to support.

A recently qualified technologist who earns R540 a month says she is leaving because she sees no future.

"I would have considered staying if I were given more money," she said.

● Page 21: Another medical staff crisis

Staff crisis poses a threat to cancer diagnosis

Sday 29/10/87 96

Own Correspondent

DURBAN — The early detection of genital cancer in women is one of the services suffering as a result of a critical shortage of medical technologists in South Africa.

At Addington Hospital in Durban and in other parts of the country routine screening for genital cancer has had to be curtailed or stopped so staff can concentrate on emergency cases.

The growing crisis is hitting the State and provincial services particularly hard and poses a serious threat to diagnostic medicine, involving the analysis of specimens that can save patients' lives.

Technologists are leaving the profession to take up posts in commerce and industry at much higher salaries — sometimes twice as high.

"To say the staff situation is critical is putting it mildly," says one senior technologist, who for professional reasons cannot be named.

"The outlook for the future is very gloomy," says Mr George Wikeley, national president of the Society of Medical Laboratory Technologists.

"In my department at Addington Hospital we are working flat out, 10 hours a day, with only about 60 percent of the staff we need for the workload. We are doing only urgent work in screening for genital cancer.

"We just can't take on any other work. Other laboratories are helping out but they are reaching saturation point too."

And there is no relief in sight. Mr Wikeley is in charge of Addington's cytology department which needs four or five new student technologists a year. This year it attracted one. There are none in line for next year.

"Another big drawback is that medical technologists have a great deal of responsibility but relatively little status."

This point is reflected in their pay packets, says a senior Natal technologist, Mr John Pender-Smith, of the Department of Health's regional laboratory services. "The staff shortage is grave."

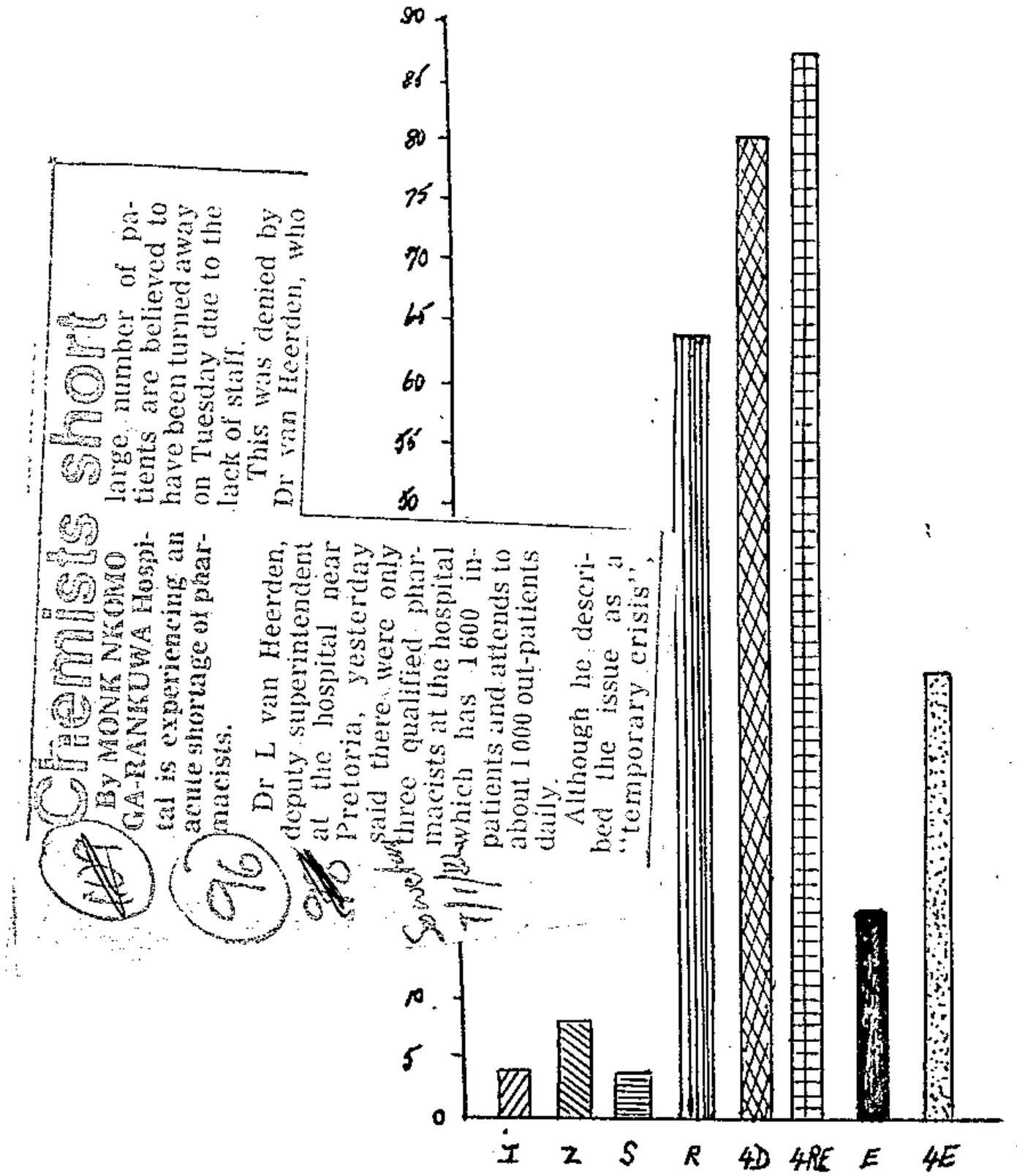


TABLE 5 INDIVIDUAL DRUG PURCHASE PRICE COSTING AND DRUG COMBINATIONS PER PATIENT FOR 100 DOSE THERAPY.

The Conference on the Economics of Health Care in Southern Africa

P.S., Miscellanea.

Out of 1 257 references only one has been devoted to the economics of Tb. control and 6 others make partial mention of it.

The best reference was found in Tubercle Vol. 49 of March 1968 in its reporting of a conference held in London in September of 1967.

Extracts: "The dramatic drop in the incidence of tuberculosis in technically advanced countries, although owing much to important factors of efficient public health, hospital facilities, mass radiography, immunisation and high standards of hygiene and nutrition, has been largely achieved by the use of TUBERCULOSTATIC DRUGS".

"Spectacular though these results may be, they also serve to emphasize how tragic and deep-rooted remains the problem of tuberculosis in less fortunate countries where poverty, overcrowding, poor sanitation and few and overworked medical services must mean millions of cases remaining untreated and millions more undiagnosed."

"Economics is not a popular subject among tuberculosis specialists or at tuberculosis conferences, but it is the core of the problem of tuberculosis in Africa and the world."

"The allocation of funds between diseases should not depend upon the size of the problem posed by the disease nor upon the trend of the disease, but only on the potential impact on the problem that can be obtained."

Detained NIC member loses his hospital job

Mercury 9/1/82

329
96

Mercury Reporter

SECURITY laws detainee Mr Pravin Gordhan has been dismissed from his job as a pharmacist at Durban's King Edward VIII Hospital.

Confirming this yesterday, Dr D J Lawson, the hospital's deputy medical superintendent, told the Mercury that Mr Gordhan — who is one of two senior executive members of the Natal Indian Congress still being detained by the Security Branch — had to be replaced because of the build-up of his workload.

'The post has been re-advertised and I suppose Mr Gordhan could re-apply if he wishes if the vacancy is not filled by the time he is released,' said Dr Lawson.

Mr Gordhan, who is being held together with Mr Unus Mahomed under Section 6 of the Internal Security Act, is unaware of his dismissal.

His wife, Mrs Pravina Gordhan, declined to comment when approached by the Mercury yesterday.

Meanwhile, Mr M J Naidoo, vice-president of the Natal Indian Congress, said yesterday that the recent detentions would not deter the NIC from its fight for freedom and justice for all in South Africa.

He said Mr Gordhan, who is also secretary of the Durban Housing Action Committee, and Mr Mahomed, an attorney, were being held incommunicado.

'In spite of the detentions the NIC will continue its struggle, come hell or high water,' he said.

Mr Gordhan and Mr Mahomed were detained by Security Police during a massive national crackdown on trade unionists, clerks and students in November.

Mr Naidoo said he could not understand why the two congress men were still being held because they were 'backroom boys' — they assisted in organising meetings — but never addressed public meetings.

Durban Housing Action Committee chairman Mr D K Singh said he knew of no legitimate reason for still holding Mr Gordhan.

For many years Mr Gordhan had taken an active role in trying to alleviate the plight of the underprivileged in Durban municipal housing schemes in Phoenix and Chatsworth, he said.

GENERAL NEWS

Erab chief surprised

Chemist is barred

Star 19/1/82 96

A Tembisa pharmacist's application to run a shop has been turned down by the labour officer of the East Rand Board because "contract workers are not permitted to operate independently in a prescribed area."

Mr Joe Mntonga arrived on the East Rand in 1978. He was granted permission by the Chief Commissioner in Johannesburg to erect his own house at Stand 433 Sedibeng Section and has been in Tembisa on a family basis since then.

Mr Mntonga applied for permission from the Tembisa Community Council to run a pharmacy at the shopping complex of a Mr Shabangu. It would have been the first in the East Rand's black townships.

His application was approved by the Tembisa Council on April 22 last year. The council also recommended that the East Rand Administration Board should approve Mr Mntonga's application.

Last week Mr Mntonga received a letter from the labour officer of Erab saying: "Mr Mntonga is a contract worker and as such is compelled to return to his district of domicile on the termination of his services with the present employer.

The Chief Director of the East Rand Board, Mr S G Marx, said yesterday he would have the matter investigated.

Row over medicine handouts looming?

CAPE TIMES 3/2/82

Staff Reporter

A ROW appears to be looming between the Pharmaceutical Society and the Cape Provincial Administration as a result of social pensioners being given handouts of medicines at Cape hospitals.

Yesterday, the chairman of the Pharmaceutical Society (Western Cape), Mr Joe Morris, said: "The future of many pharmacies hangs in the balance if this system becomes widely operative."

He was responding to a recent press report in which the free service to social pensioners was detailed.

In terms of the service, free medical attention and prescriptions are freely available to social pensioners at any provincial hospital, day hospital or clinic in the Cape.

"We have no grouse with indigent people getting a free service. But when it comes to social pensioners who, in any event, get their prescriptions through us free, it's another matter."

Mr Morris said pensioners usually obtained their prescriptions through a pharmacy free of charge and the pharmacy was later refunded by the provincial administration.

"This new system simply deprives the pharmacy of that income. And if you threaten the viability of pharmacies they will close down like they already have done in some platteland towns. Then the whole community suffers."

Asked to comment, Dr D F Smith, Assistant Director of Hospital Services for the provincial administration, said: "We have a gentleman's agreement with pharmacies in the platteland that they will continue to supply pensioners, because without that extra income they can't exist.

"But in the cities, that doesn't apply. We've had representations from them, but if pharmacies in the cities can't exist without the income from pensioners, then there are too many of them."

Dr Smith said that providing free medicines was part of the package received at hospitals.

War of the giants hits the corner chemists

(96) (222) S. Times 7/2/82

CONT...

FAMILY chemists believe they are on the way out — squeezed out of business in a giant pharmaceutical company battle for business and encroaching State health services.

In a series of confidential reports commissioned by the Pharmaceutical Society of South Africa, which represents all pharmacists in the country, it is claimed that:

- Already nearly half the chemist shops in South Africa are "merely eking out an existence" and could go out of business at any time.
- While a commitment to free enterprise is stated Government policy, "certain present trends seem to suggest that the opposite is actually happening in health care": the State and its organisations are exercising more and more influence.
- Where the State takes over the provision of health care, "costs escalate and standards decline".
- Private customers are already paying their family chemist four times as much for medicines as the State pays for the same medicines, and are, in effect, subsidising the cut-price medicines sold to the State.

The reason for the huge difference in price paid for medicines by private individuals and State buyers is explained as follows:

Consultants appointed by the State expect that by 1985 State hospitals and health departments will be buying 65% of the pharmaceutical companies' total production of medicines.

Irrelevant

Because the State is the biggest single buyer of medicines, pharmaceutical companies are forced to tender at or below cost for State contracts in an effort to stay in the market and keep up their production lines.

They then make up their profits by marking up the prices of medicines supplied to retail chemists.

At the end of the line, the retail chemist has to invest huge sums in expensive stocks, while he has to accept smaller and smaller profit margins to keep his customers. Many won't hold the pace.

The original mandate of the investigators was to recommend ways and means "to avert a direct and impending threat of considerable loss in revenue to retail pharmacists through State distribution and dispensing of medicines".

But the investigators found that the threat was not so much the threat of loss of revenue alone, but much worse: the threat that the retail pharmacy could become irrelevant to the provision of health services as such.

Disastrous

The first two volumes of the report, titled the Syncom Report on the Future of Pharmacy, have been the subject of considerable debate behind closed doors in the profession for the past year. A third volume is expected shortly.

In their assessment the authors believe that the retail chemist has only two basic options:

Choice 1: He becomes fully what he already is to a large extent: a trader, a speciality merchant "like a hardware salesman or an electronic appliance salesman". But only a limited number of such shops will survive in city centres.

Choice 2: Get out of the shop and find a professional job in a hospital, pharmaceutical factory or perhaps, some time in the future, as a professional consultant in a "health care" team.

Whichever way, the survey found that present-day training for chemists was preparing them for a job that has not existed for years: making up medicines and deciding which medicine was appropriate in a particular case.

Now large pharmaceutical companies make up the medicines and doctors give the advice.

State drug buying will eliminate little man, says report

Sunday Times Reporter

Full information about all drugs and their effects on individual patients will certainly become computerised in the near future, they say.

The technician who now does all the jobs which detract from the pharmacist's professional status could then, with the new information, take over the function of the retail pharmacist.

After that there will be little scope for the pharmacist to apply his knowledge — and he will no longer be able to justify adding on a substantial cost for advice to the customer.

Attempts in the past 10 years to turn their shops into mini-supermarkets selling anything from food to toys have been disastrous for their professional image and their rapidly declining bank balances, the survey found.

The financial situation of South Africa's retail pharmacies has already eroded to such an extent that, of the 2 200 retail pharmacies in the country, 1 000 are only marginally viable and could go under in the near future. Only the top 400 are regarded as financially successful.

The entire research operation is likely to cost the pharmacists close on R100 000.

Risk

Inability to adapt, say the investigators, has led to high financial risk and limited job satisfaction, a decline in the full use of the pharmacists' skills, a tendency to look for financial success rather than professional dignity and standards, and a decline in th e standard of service to the public.

While alarmed pharmacists see little hope of reversing the course of events that seems sure to destroy them, the report also indicates how these trends will seriously affect the cost and standard of health care available to the public.

They project that by 1985 private buyers will consume only 40% of the medicines sold in South Africa, but will pay 68% of the total bill. The State will buy 60%, but will pay only 32% of the bill.

In his unenviable role as milkman of the public, the retail chemist is increasingly being forced to seek financial assistance from giant pharmaceutical companies, given either as a loan or in the form of extended credit.

Usually this assistance is linked to an undertaking to buy or promote the products of a particular supplier.

Because the manufacturer looks to the retail trade to make up his profit, he must both keep it going as an outlet, and he must also try to shut out his competitors by keeping a maximum number of retailers as captive buyers of his products.

Cartels

Pharmacists believe, however — and this view is backed up by the report — that as the State takes over more and more of the dispensing the retail pharmacy will disappear in most areas.

State or socialist medicine will have dug its own grave when the manufacturers turn to the State to make their profits. Without the subsidy from private buyers, the State's medicine bill will have to double almost overnight.

The fatal risk of competition between suppliers with only one significant buyer must inevitably lead to the formation of monopolies or cartels, which, without the restraint of competition, will be able to charge any price they think the buyer can afford to pay.

Socialist medicine, the report points out, also leads to high levels of waste — another way of expanding the market, as the British pharmaceutical industry has discovered to its profit.

Hidden

Retail chemists, the investigators warn, should therefore not rely on the pharmaceutical giants to stop this course of events.

There is also no reason to believe that the dispensing of medicines by State hospitals and other institutions such as the Railways and Iscor is in fact any cheaper than through normal retail channels.

The real costs of storage, administration and distribution of medicines must be as high or higher, with far less incentive to prevent waste. The only difference is that the costs are hidden — in the taxpayers' tax bill.

But it is not only in money that the South African public will ultimately pay the price. There will no longer be any incentive to the manufacturer to develop and introduce new products, since in an all-or-nothing situation with one buyer and no competition he is unlikely to take any risks.

The man-in-the-street will lose the convenience and choice of his nearest pharmacy, to be replaced by the queue and bureaucracy at the probably more distant State or factory clinic. This is particularly likely to affect the standard of care for the aged.

Other problems which arise, says the report, are "common knowledge in the profession, but are rarely openly addressed".

Undesirable

They include the doctor's loss of freedom of choice in prescribing, and what the investigators refer to as "undesirable lobbying practices by manufacturers" — under-the-table incentives.

The reports, marked confidential, have triggered considerable debate and controversy in the profession. But several pharmacists approached for comment by the Sunday Times denied any knowledge of their existence or shrugged off the subject.

"Is there a problem with retail pharmacy?" the president of the SA Retail Chemists and Druggists Association, Mr Max Katz, asked in response to the Sunday Times's questions about the reports.

"There have been a number of consultants called in by the pharmacists from time to time, but there is no crisis. We are merely involved in a normal evolutionary process," he said.

QUOTE

Private customers are paying four times as much as the State

QUOTE

Retail pharmacists have to invest heavily in expensive stocks

QUOTE

Attempts to turn shops into mini-supermarkets disastrous

(96)

S. Times

7/2/82

Pharmacists seen as vital drug control

(96)
Star 10/3/80

By Zenaide Vendeiro

Pharmacists have been told it would not be in the interests of the public for doctors and nurses to be able to dispense drugs.

It would also erode the livelihood of the pharmacist described as "a uniquely qualified individual who alone is trained in both the manufacture of drugs and their usage."

In his presidential address to the annual meeting of the South African Retail Chemists' and Druggists' Association in Johannesburg on Monday, Mr Max Katz said the affiliated medical administrators had sent letters to doctors inviting them to dispense drugs for their patients.

The administrators assured them that they would pay for the drugs. Mr Katz said this would enable doctors to profit by dispensing their own prescriptions and eliminating a necessary element of control.

ABHORRENT

"We abhor this attitude," he said.

It would not be in the interests of the patients to have the doctor do his own dispensing and act as his own control. "The doctor is being asked to become a trader with himself as his own customer."

He maintained that all medicines should be under the control of the pharmacist.

"All drugs are poisons and all poisons are drugs," he said. "We in pharmacy are trained to assume the responsibilities of control specifically for the safety of the patient."

INEXPENSIVE

Mr Katz said he believed the pharmacist was the most available and accessible expert in the use of drugs. Not only did the majority of people feel they had reasonable access to a pharmacy but, more important, they had easy access to the pharmacist.

"Patients do not have to make an appointment. They are seen almost immediately. Even with our new tariff we are an extremely inexpensive body of experts."

The pharmacist was the most regulated professional in the Republic, said Mr Katz. "The law is there for the protection of the public and the pharmacist meets adequately all the requirements of the law."

Bitter pill has chemists upset

(96) RDM 12/3/82

By CHERYL VAN EYSSEN

ANGRY pharmacists have hit back at criticism by a Cape Town supermarket executive who said they should "get off their backsides and do an honest day's work".

Scores of pharmacists have reacted indignantly to what they call a "slur on our profession".

The man who started the storm is Mr H J Goldin, managing director of Click Stores, who said pharmacists should "stick to their profession, get off their backsides and do an honest day's work".

Mr Max Katz, former president of the SA Retail Chemists' and Druggists' Association, vehemently demanded an apology.

"Does Mr Goldin imply we are doing a dishonest day's work?" Mr Katz asked. He said 3 500 pharmacists all over the country shared his view.

A Johannesburg pharmacist, Mr Nathan Berry, said he was "furious".

"It's a slur on our profession — it infers we are rogues and thieves.

"Talk about an honest day's work! I am standing in my dispensary at 6am while Mr Goldin is asleep."

Mr Goldin spooned out his bitter medicine this week after pharmacists had claimed they were struggling to survive price cutting by giant supermarkets on medicines and toiletries.

The pharmacists said supermarkets could afford to sell these items, which they regarded as commercial commodities, at a loss.

Mr Goldin, who admitted his chain sold at a loss when it had to meet competitors' prices, said pharmacists should "stick to their dispensary".

Amid the storm of reaction, Mr Goldin said yesterday: "I do not belittle their profession by saying they should do an honest day's work, but I feel they should do the work for which they trained for six years.

"They should be tending to minor ailments like sore eyes and throats, and infections, and not be selling commercial commodities like general dealers do."

At this week's annual meeting of the druggists' association, Mr Mike Gorton, a market researcher, warned that pharmacists should not be "weak buyers" — and should buy more selectively.

"But I don't think retail pharmacists should be precluded from handling items they believe they can make a success of," he said.

Mr Steenkamp

(96) Star 12/3/82

Chemist prices subsidise State

By Zenaide Vendeiro

Private patients pay four times as much as the State for medicines — and are in effect subsidising those sold below cost to the State.

This finding arises from an in-depth socio-economic investigation initiated by the Pharmaceutical Society of South Africa into the future of pharmacy and its role in providing a comprehensive health service.

Confidential reports entitled Syncom 1 and 2 were presented to the pharmaceutical and allied health professions, and were accepted unanimously.

The investigators claim that because the State is the biggest single buyer of medicines, pharmaceutical companies have to tender at cost or below for its contracts. They then make up the loss by increasing the prices of medicines sold to retail chemists.

At the annual meeting of the South African Retail Chemists' and Druggists' Association in Johannesburg recently, Mrs Truida Prekel, a senior lecturer at the Unisa School of Business Leadership, said this was causing serious dislocation in the pharmaceutical industry — from manufacturing to the private patient "who has to subsidise the unrealistic prices at which medicines are sold to the Government."

Mrs Prekel, who has done several studies on the pharmaceutical industry in South Africa and the United States, said: "The retail pharmacist is criticised for this practice because he is the person who has to charge patients inflated prices to balance out below-cost tender sales."

This view was echoed by Dr Marius Barnard, MP for Parktown, when he addressed a function of the Transvaal branch of the Pharmaceutical Society of South Africa.

He agreed that medicines in the private sector were expensive because the private sector was subsidising "expenditure at a lower price within the public sector."

"This strangely inverted economic structure is undermining the viability of the private sector," he said.

The authors of the Syncom reports believe that by 1985 private buyers will account for only 40 percent of medicines sold in South Africa — but will pay 68 percent of the total bill. However, the State will buy 60 percent of the medicines, but pay only 32 percent of the bill.

Cape Times 13/3/82

Chain store chief tries to pacify irate pharmacists

By GORDON KLING

THE head of one of the country's major retail chains, Mr Harry Goldin, yesterday tried to pacify pharmacists he had antagonized earlier this week by claiming they were not doing an honest day's work.

Mr Goldin, managing director of Clicks Stores, said he had no fight with the pharmacists and in fact had a high respect for them.

He had said earlier that they should "stick to their profession, get off their backsides and do an honest day's work".

Scores of pharmacists have reacted with indignation over Mr Goldin's remarks, spooned out after pharmacists had complained they were struggling to survive the onslaught of giant supermarkets which were undercutting them in sales of medicines and toiletries, according to the Cape Times Johannesburg correspondent.

"All I was trying to say was that a pharmacist is a professional man and he should stick to the profession he's qualified for," said Mr Goldin yesterday. "If they want to go into the supermarket or mass discounting business then they must not complain that the supermarkets are more competitive.

"I do not belittle their profession by saying they should do an honest day's work, but I feel they should do the work for which they trained for six years."

In the United States, for example, drugstores sold a wide range of goods, but the pharmacist had his own section where he filled prescriptions and dealt in medicine rather than selling toothpaste, he said.

At this week's annual meeting of the S A Retail Chemists and Druggists' Association in Johannesburg, a market researcher said the pharmacists should not be precluded from handling items which they believed they could sell profitably, but they should buy more selectively.

JEWELLERS AND GOLDSMITHS UNION

Year	Membership			
	African	Asian and Coloured	White	Total
1970				
1971				
1972				
1973			320	418
1974			294	322
1975			305	331
1976			201	222
1977			347	377
1978				..
1979				445
1980				460

Fosatu Annual Report 1980/81

Address: 201/4 C
Corpora
Cape To
8001

Telephone: (021) 433658

Officials: Secret

Area of Operation:

Founded: 1939

Registration: Ye

1974 affiliated to
other unions formed
iliated by 1977/78 and with

Two PE
blacks
to get
pharmacy
diplomas

Post Reporter

FOR the first time, two black students will be awarded pharmacy diplomas by the Port Elizabeth Technikon.

Mr Adam Ebrahim, who is coloured, and Mr Mohammed Raffick Mohammed, an Indian, will receive their diplomas at the diploma ceremony of the Technikon this afternoon.

Mr Ebrahim, 22, presently employed as a trainee pharmacist at the Livingstone Hospital, said he enjoyed his studies.

He matriculated in 1976 at the Paterson High School in Schauderville. When the Technikon started admitting black students, he grabbed the opportunity to study pharmacy.

Mr Ebrahim, who married three months ago, hopes to enter the retail pharmacy trade.

Mr Mohammed, 29, is serving his apprenticeship as a trainee manufacturing pharmacist at a pharmaceutical firm.

They are among the 16 students at the School of Pharmacy who will be receiving South African Pharmacy Board diplomas after four years of study.

(96) Express 9/3/82

Lapa opens fire in war between Government and retail chemists

By MARTIN WELZ

A SECRET war that has raged for the past two years between retail pharmacists and the state about 'creeping socialism' in health services — and particularly the State's increasing 'takeover' of the distribution of medicines — was formally brought into the open this week.

In a controversial speech to the Pharmaceutical and Chemical Manufacturers Association on Friday night, the Minister of Health, Dr Lapa Munnik:

● Defended the State's growing role in the distribution of medicines, but denied that the Government had embarked on a programme of socialisation of health services.

● Defended the Government's purchases of medicines on a tender system, despite the fact that pharmacists have claimed this means private patients have to pay up to four times the price the Government pays for medicines.

● Attacked South Africa's doctors for refusing to prescribe medicines by type rather than brand name.

● Rebuked manufacturers for their reluctance to make medicines similar to those made by their competitors as soon as their competitors' patents expired.

● Defended Government regulations which force doctors employed by the State to prescribe only those medicines included on a limited officially-approved list — usually only those medicines the Government has in stock.

That the State buys more than 60% by volume of all medicines sold in South Africa for distribution to its patients was a new fact of life that would simply have to be accepted by pharmacists and the pharmaceutical industry, Dr Munnik said.

"Whether you wish to accept it or not will depend on whether you wish to grow, to just survive, or gradually disappear from the scene."

But Dr Munnik denied the State was in the process of socialising the supply of medicine to the public.

"The Department of Health and the four provincial administrations are simply compelled by Acts of Parliament to render a health service to a large sector of the population," he claimed.

A secret survey commissioned by the Pharmacists' Association last year found that the major factor threatening the survival of the family pharmacists was that the largest buyer and distributor of medicines — the State — buys its medicines by calling for tenders.

Pharmaceutical manufacturers competing for the State's massive orders were prepared to supply the State at cost or even below cost and then recover their profits by forcing retail pharmacists — and as a result, private patients — to pay up to four times the price for the same products.

Not only are private buyers of medicines being forced to subsidise the State in this way but, if the process continued, pharmacists were likely to be forced out of business as the public refused to pay the exorbitant prices, the survey found.

In the end the State would kill its golden goose, was the sombre forecast.

The public will have lost the convenience and free choice of a neighbourhood pharmacist — and the State would finally have to pay the full price.

"The tenderer has the right and privilege to determine at what price he wishes to supply his product to the State," was Dr Munnik's blunt reply this week. However in most cases, he said, the problem lay in the application of the tender system.

The report of a Government inquiry into the tender system had still to be tabled in Parliament but, he believed, it might solve some of the problems.

Dr Munnik followed these remarks with a mysterious call on the pharmaceutical manufacturers to



● Lapa Munnik ... pharmacists must adapt

"exercise discipline more rigorously over certain members of your association who sell certain of their products to certain persons at low prices while the public pay through their noses for it".

UNIONS OPERATING IN 1981 GROUPED ACCORDING TO INDUSTRIAL CLASSIFICATION

Unions have been classified according to the Standard Industrial Classification of All Economic Activities. The full extent of the operation of the following general workers unions has not been established:

National Federation of Workers
Orange-Vaal General Workers Union
General and Allied Workers Union

AGRICULTURE, FORESTRY AND FISHING

Black Allied Workers Union
Farmworkers Union
Food and Canning Workers Union
National Certified Fishing Officers Association
Orange-Vaal General Workers Union
Trawler and Line Fishermen's Union

MINING AND QUARRYING

Amalgamated Engineering Union of S.A.
Amalgamated Union of Building Trade Workers
Amalgamated Society of Woodworkers of S.A.
Black Allied Workers Union
Black Mineworkers Union
Federated Mining Explosives and Chemical Employees Union
Iron Moulders Society of S.A.
Mine Coloured Staff Association of South Africa
Mine Surface Officials Association of South Africa
Mine Workers Union
S.A. Boilermakers, Iron and Steel Workers Shipbuilders and Welders Society
S.A. Electrical Workers Association
S.A. Engine Drivers, Firemens and Operators Association
S.A. Technical Officials Association
Underground Officials Association of S.A.

EVENING POST, MONDAY, MAY 10, 1982

Munnik defends State's role in the bulk tender purchasing of medicines

Post Correspondent
JOHANNESBURG — A secret war that has raged for the past two years between retail pharmacists and the State about "creeping socialism" in health services, and particularly the State's increasing "takeover" of the distribution of medicines, is now in the open.

In a controversial speech to the Pharmaceutical and Chemical Manufacturers' Association at the weekend, the Minister of Health, Dr Lapa Munnik, defended the State's growing role in the distribution of medicines, but denied that the Government had embarked on a programme of socialisation of health services. He also:

● Defended the Government's purchases of medicines on a tender system, despite the fact that pharmacists have claimed this means private patients have to pay up to four times the price the Government pays for medicines.

● Attacked doctors for refusing to prescribe medicines by type rather than brand name.

● Rebuked manufacturers for their reluctance to make medicines similar to those of competitors once competitors' patents had expired.

● Defended Government regulations which force doctors employed by the State to prescribe only those medicines included in a limited official list — usually only those medicines the State stocked.

That the State buys more than 60% by volume of all medicines sold in South Africa for distribution to its patients was a new fact of life that would simply have to be accepted by pharmacists and the pharmaceutical industry, Dr Munnik said.

But Dr Munnik denied the State was in the process of socialising the supply of medicine to the public.

"The Department of Health and the four Provincial Administrations are simply compelled by Acts of Parliament to render a health service to a large sector of the population.

"The tenderer has the right and privilege to determine at what price he wishes to supply his product to the State," said Dr Munnik.

The report of a Government inquiry into the tender system had still to be tabled in Parliament but, he believed, it might solve some of the problems.

A secret survey commissioned by the Pharmacists' Association last year found that the major factor threatening the survival of family pharmacists was that the largest buyer and distributor of medicines — the State — buys its medicines by calling for tenders.

Pharmaceutical manufacturers competing for the State's massive orders were prepared to suply the State at cost or even below cost and then make their profits by forcing retail pharmacists and their private patients to pay up to four times the price for the same products.

Sweet Workers Industrial Union (Natal)
Sweet Workers Union
Sugar Industry Employees Union
South African Allied Workers
S.A. Boilermakers, Iron & St and Welders
S.A. Electrical Workers Assc
Western Province Sweet Worke
Witwatersrand Baking & Confe
Witwatersrand Brewing Employ

Tobacco

African Tobacco Workers Unio
National Union of Cigarette
Rustenburg Tabakwerkersveren

Textiles, Clothing, Leather

African Garment Workers Unio
African Leather Workers Unio
African Trunk & Box Workers
Black Allied Workers Union
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Paper, Wood & Allied Workers
S.A. Boilermakers, Iron & St
S.A. Electrical Workers Assoc
S.A. Society of Journalists
S.A. Typographical Union
South African Allied Workers

Union

& Welders

Medicine price control 'abolition slammed'

Post Reporter

THE abolition of prescribed retail prices for scheduled medicines was "ill-timed and premature and preemptive," the president of the Pharmaceutical Society of South Africa, Mr Don Sutherland, said yesterday.

Addressing the annual meeting of the society in Port Elizabeth, he said the Government's move, introduced at the end of February, had "met with resistance" from the society and the Pharmacy Board.

It was difficult to understand the announcement by the Minister of Industries, Dr Dawie de Villiers, that prescribed retail prices for pharmacies be abolished.

Without establishing whether the abolition of price control on such commodities was desirable, "the Minister recently announced the intention of the Competitions Board to investigate the abolition of price control on pharmaceutical products," Mr Sutherland said.

The President of the South African Pharmacy Board, Mr Graham Clark, supported Mr Sutherland. In his speech he said there was an "absence of real consultation with the Pharmacy Board prior to the publication of the draft amending Bill.

"The fact that the Bill empowered members of another profession to keep, supply, administer or prescribe medicines' brought forth an unacceptable situation," said Mr Clark.

Other problem areas included doctors who traded in medicines to the detriment of the pharmacist, the erosion of the private pharmacy enterprise by major dispensaries such as the Railways, and the "interference" by Government departments.

Chemical & Chemical Products, Coal, Rubber & Plastic Products

Black Allied Workers Union
Cape Explosives Industrial Workers Union
Chemical and Allied Workers Union
Chemical Workers Industrial Union
Chemical Workers Union
Durban Rubber Industrial Union
Engineering and Allied Workers Union
Engineering Industrial Workers Union of S.A.
Federated Mining, Explosives and Chemical Employees Union
Industrial Salaried Staff Association
General Workers Union
Metal and Allied Workers Union
National Union of Engineering, Industrial & Allied Workers
National Union of Motor Assembly & Rubber Workers of South Africa
S.A. Chemical Workers Union
South African Allied Workers Union (SAAWU)
Steel, Engineering and Allied Workers Union
Umbogintwini Industrial Workers Union
Weskaapse Plofstof & Chemiese Operateursvakbond

Non-Metallic Mineral Products

Building, Construction and Allied Workers Union
Glass & Allied Workers Union
Glass Workers Union
National Cement Employees Union
National Union of Brick and Allied Workers
Transport & General Workers Union

Base Metal Industries and Manufacture of Fabricated Metal Products Machinery and Equipment

Amalgamat
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Black Al
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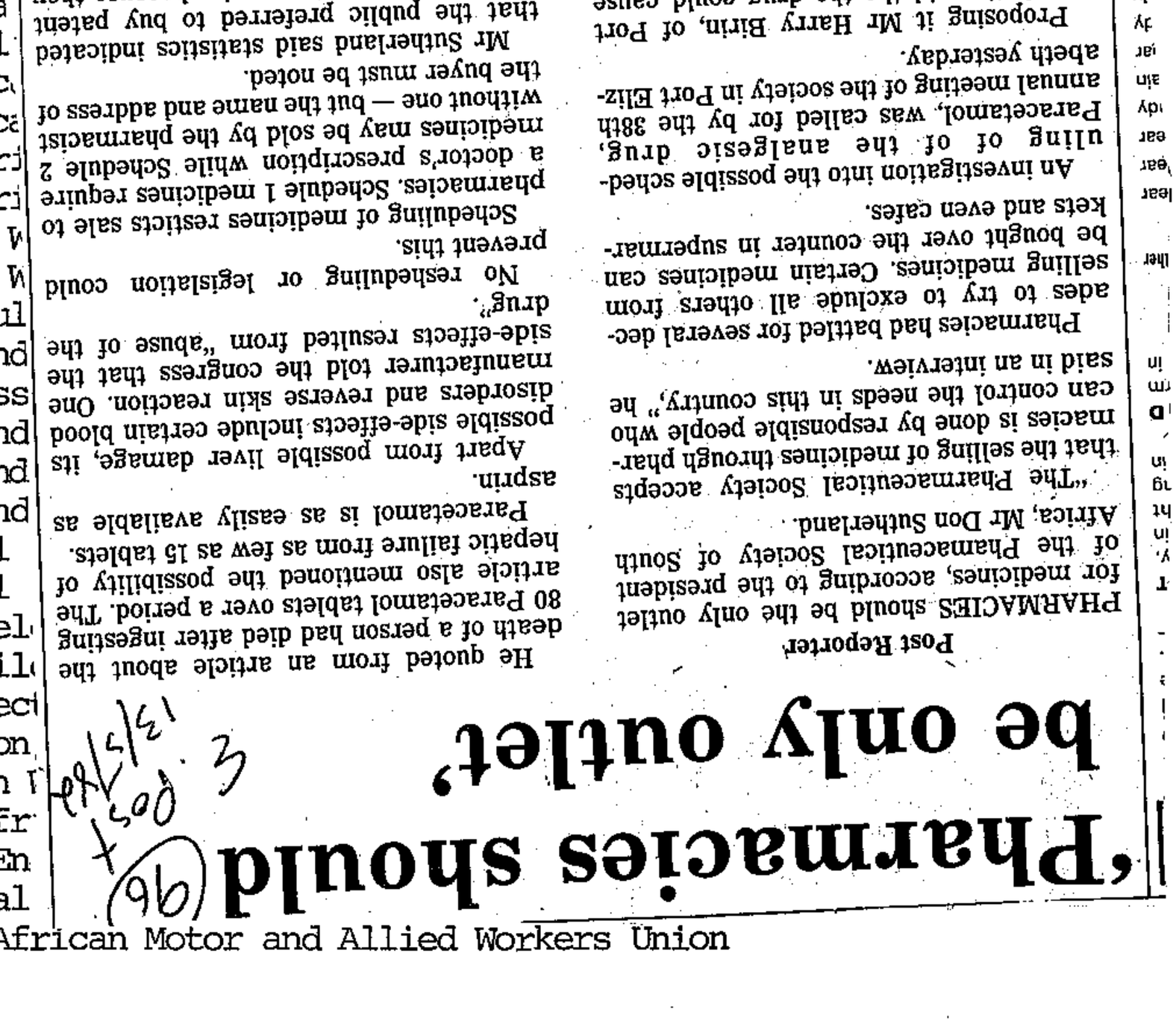
S.A. Tin
South Afr
Steel, En
Transvaal
United African Motor and Allied Workers Union



'Pharmacies should be only outlet'

Post Reporter

PHARMACIES should be the only outlet for medicines, according to the president of the Pharmaceutical Society of South Africa, Mr Don Sutherland.

"The Pharmaceutical Society accepts that the selling of medicines through pharmacies is done by responsible people who can control the needs in this country," he said in an interview.

Pharmacies had battled for several decades to try to exclude all others from selling medicines. Certain medicines can be bought over the counter in supermarkets and even cafes.

An investigation into the possible scheduling of of the analgesic drug, Paracetamol, was called for by the 38th annual meeting of the society in Port Elizabeth yesterday.

Proposing it Mr Harry Birin, of Port Elizabeth, said the the drug could cause "irreparable liver damage and lead to death".

He quoted from an article about the death of a person had died after ingesting 80 Paracetamol tablets over a period. The article also mentioned the possibility of hepatic failure from as few as 15 tablets.

Paracetamol is as easily available as aspirin.

Apart from possible liver damage, its possible side-effects include certain blood disorders and reverse skin reaction. One manufacturer told the congress that the side-effects resulted from "abuse of the drug".

No rescheduling or legislation could prevent this.

Scheduling of medicines restricts sale to pharmacies. Schedule 1 medicines require a doctor's prescription while Schedule 2 medicines may be sold by the pharmacist without one — but the name and address of the buyer must be noted.

Mr Sutherland said statistics indicated that the public preferred to buy patent medicines from pharmacies because they could get professional advice.

NEWS

Intensive care needed

(96) Industrial Week 25/5/82

By Lynn Carlisle

A POLICY of reprivatisation of health care, including medicine supply, is needed as Government's continuing trend towards socialisation in medicine discourages the natural development of the pharmaceutical and fine chemical industries, says John Toerien, executive director of the Northern Transvaal Chamber of Industries.

Toerien calls for an easing in Government control over the pharmaceutical industry.

The contentious allegation that the private sector is unable to provide medicines at the same price as the State has never been proved, despite investigations by several commissions. The State refers to a purchase price of medicine on tender whereas the private sector refers to a price for a total pharmaceutical survey, says Toerien.

The Pharmaceutical and Chemical Manufacturers' Association says that State and Provincial medical services take 60% or more of the industry's production while only contributing 34% to the manufacturer's income.

Due to the tender system the private sector may be subsidising the price of medicine to the State.

"Tender requirements for the State are not normally fixed quantities, and the low prices could well be caused by undelivered quantities of unbranded generics being disposed of to the 'trading doctor', says Toerien.

He adds that the Brown Commission, currently investigating health services in SA, needs to establish a comparable price between both sectors.

"The trends towards socialisation in medicine will bring about a total distortion in the market, and place an unnecessary burden on the State and taxpayer as well as discouraging the individual from accepting responsibility for his own health care."

"With economic growth and the policy to pay equal wages for equal work, population groups other than Whites have been receiving pay adjustments which place them in a far better position to take care of their health needs than in the past, and such persons should no longer remain a liability on the State," adds Toerien.



Headlines carried by Industrial Week on 29 September 1981 . . . have things improved in the industry

Major-General Neville Larkin of the SA Medical Services points out that the Steenkamp Commission criticised the tender system mainly because the department ordering medical supplies failed to guarantee the purchase of the estimated amount called for in a tender.

The Commission found that a firm would lay in stocks of a product only to receive orders for a small fraction of it, also the supplier was forced to carry a risk that should be borne by the purchaser.

"Problems also arise from would-be suppliers over-committing their production capacities and finding themselves unable to provide satisfactory deliveries."

Maj-Gen Larkin says it is frequently contended that the tender system gives rise to circumstances which depress the price of medicine in the public sector while increasing prices in the private sector.

"I am satisfied this argument is not valid. Where suppliers offer medicines on tender on which they hold patents, the price structuring is solely their prerogative."

Price Controller, Elias de Beer, says our economic system is permeated with imperfections which restrict competition, so that price formation is not always dictated by supply and demand.

A factor which influences Government intervention is the degree to which businesses are willing to accept wider social responsibilities in their pursuit of profits."

"I readily agree that the realisation of a reasonable profit is of prime importance in order to maintain an acceptable rate of economic growth and employment.

"But businessmen should also appreciate that prosperous and satisfied customers are essential for their own successful business operations — they must carry their customers' interest at heart," says De Beer.

He adds that the disparity between State tender prices for medicines and manufacturers' selling prices to the private sector far exceeded the cost differentials between such purchases by the State and private sector.

The capital structure of individual manufacturers and suppliers of medicines also differs substantially.

"As a result of these factors, price control in respect of medicines is exercised on an individual company basis instead of for the industry as a whole," says De Beer.

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UNIONS OPERATING IN 1981 GROUPED ACCORDING TO INDUSTRIAL CLASSIFICATION
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SAFETY FIGHT

S. Tribune 30/5/82

96

ONE MAN'S BATTLE AGAINST DANGEROUS DRUGS

Finance Reporter

THE immediate past-president of the SA Retail Chemists and Druggists' Association, Max Katz, has mounted a campaign to get retail chemists involved in an all-out effort to reduce drug-induced accidents and loss of productivity in industry.

This has been a pet theme of his for years. He has raised it on a number of occasions at meetings of his association, but on each occasion it has met with a lukewarm reception.

Katz now intends to go to industry itself to get his way. He says he now wants to set up a meeting with the National Safety Organisation (Nosa) and after that with other representative bodies.

He believes if chemists co-operate and join him in what will be an ongoing, giant education process, industry and South Africa can be saved the millions of rands that accidents, deaths, loss of productivity and inefficiency caused by drugs cost the country a year.

He believes that at least five percent of people who land up in hospital do so because of reaction to drugs — and that figure could be drastically reduced if somewhere along the line someone had told those patients about the inherent dangers of the drugs that landed them in hospital.

Stressing that his efforts are virtually to be limited to the man on the shop floor, Katz says many industrial accidents are caused by analgesics and anti-hystamines.

"These drugs are used as decongestants, but they have a slowing-down effect, they reduce alertness and have caused many accidents," he said.

"Their slowing-down effect is increased by the use of alchohol. This can lead to a situation where a guy buys a patent cough medicine, not knowing that it has an anti-hystamine in it, takes one or two doses before lunch then goes out and has a beer with his lunch.

"His reactions would probably be slowed down considerably by the time he goes out to lunch, but, because of the beer he had, they would be dramatically slowed down after luich, making him a prime candidate for a serious accident."

Katz stressed that these drugs could be found just as easily in patent medicine as in prescribed medicines.

Analgesics and anti-hystamines aren't the only villains of the piece — some drugs can cause blurred vision.

He feels that if a doctor prescribes medicines with drugs that can affect a person's performance in any way, he should warn the person of what he must expect and that the chemist who makes up the prescription should be obliged to do the same, to hammer the point home just in case the doctor forgot.

Similar warnings should be given to those who buy patent medicines.

"I am working for a situation where the public will automatically be warned of the inherent dangers of medications," he said.

"There's no point taking a tablet to cure a cold or a headache if it leads to your chopping off your hand.

"I would also like a situation where management is told about staff who are receiving what can be called dulling or potentially dangerous medication, to ensure that they not be allowed to operate dangerous machinery while their medication lasts and that they not be given tasks that are vital to productivity."

Katz said he felt his campaign, if he ever gets it off the ground, can save industry millions of rands and the loss of many many manhours each year.

He was not prepared to put a figure to either, but felt that the workmen's compensation commissioner could conduct an investigation to find out what drug related industrial accidents are costing industry.

"It is only education and timeous warning that will solve the problem at present. Blood tests won't show that a man is high on a few anti-hystamine tablets and a bottle of beer," he said.

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Steel, Engineering and Allied Workers Union
Transvaal, Radio, Television and Allied Workers Union
United African Motor and Allied Workers Union

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XXXIV

Star 29/6/82 96

Pharmacists 'can ease health crisis'

CAPE TOWN — The skills and expertise of the pharmacist were under-utilised, Dr John Sonnenberg, MPC for Green Point, said yesterday when he opened the annual congress of the South African Pharmaceutical Students' Federation.

Dr Sonnenberg said it was a waste of time, money and manpower to employ highly trained professionals and give them menial tasks.

There was a crisis in health services in South Africa, he added. Ten people died of tuberculosis every day and one in 2 000 suffered from active tuberculosis. Cholera, almost eradicated in South Africa a few years ago, would now occur every summer.

Malnutrition diseases such as kwashiorkor and marasmus were prevalent. Five deaths and 113 cases of polio were reported in Gazankulu recently.

There was one doctor to every 600 people in large cities but only one to 20 000 in Ciskei and Transkei, comparable to the situation in Bangladesh and Ethiopia, Dr Sonnenberg said.

The hospital pharmacist should be using his expertise in drug regimes, formulations, prescribing and drug incompatibility work.

He called on the Pharmacy Board and the authorities to consult on the desirability of introducing more simple clinical teaching and advanced first aid so that the pharmacist could benefit all the people in South Africa.—Sapa.

illegible

BLACK PATIENTS WILL SUFFER

BLACK PATIENTS will be the hardest hit if the pharmacy board's wish to have doctors barred from dispensing medicine is carried out.

This view was expressed by doctors in Johannesburg and Pretoria yesterday in reaction to a move taken by the board recently to stop them from trading in medicines and competing with pharmacies.

Dr Nthato Motlana of Soweto told **The SOWETAN** that black doctors had always felt they were entitled to provide medicine for their patients, most of whom could not afford additional chemist fees.

Dr Motlana's statement was corroborated by Dr E N Mokone of Soshanguve and Dr Percy Ramphenyane of Saulsville.

EXPRESS July 18, 1982

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Hospital will not re-hire banned pharmacist

By DARYL BALFOUR

A BANNED former detainee and executive member of the Natal Indian Council has been refused his old job back at King Edward VIII Hospital in Durban — despite a shortage of qualified chemists there.

The sacking of Mr Pravin Gordhan while he was in Security Police detention earlier this year has been labelled 'political victimisation' and a petition is being circulated to have him reinstated.

This week Mr Gordhan lodged papers suing the Minister of Law and Order, Mr Louis Le Grange, for R10 000 for alleged torture while in detention.

He was detained last November 27 under Section 22 of the General Laws Amendment Act, and later held under Section 6 of the Internal Security Act. When released on May 7 he was banned.

Mr Gordhan worked as a pharmacist at King Edward Hospital for eight years before his detention.

He is now unemployed and his wife Pravina, a nurse, has to support him and their five-year-old daughter.

Mrs Gordhan said that when her husband applied for his job back he received a letter from the Natal Provincial Administration saying there was no suitable post for him at the hospital.

"But the hospital has been employing people over 60 on a half-day basis as pharmacists.

"If they can find the need to employ these people, surely it would be better to employ a man who has already worked there for eight years and knows the job and the people."

She said she was sure there has been outside pressure on the hospital and NPA not to re-employ her husband.

"Pravin was offered jobs as a pharmacist in Umzinto and Chatsworth, but was refused permission to work there by the chief magistrate," she added.

In terms of his banning order he is restricted to the magisterial district of Durban. The chief magistrate is empowered to set aside certain restrictions on application.

A spokesman for the Directorate of Hospital Services in Maritzburg, Mr G Geddes, said if Mr Gordhan was unhappy about not getting his job back he should lodge a complaint in writing.

Meanwhile Dr Jerry Coovadia, of the Durban Medical School, who is vice-president of the Natal Indian Congress, said several hundred people had signed the petition.

The petition notes that the Director of Hospital Services, Dr Fred Clarke, said in a statement at the time of Mr Gordhan's detention that he would be reconsidered for his old post when released.

Dr Clarke was on holiday this week and could not be contacted.

Govt's huge orders boost cost of drugs

By SALLY KERNOHAN

BLAME for the soaring price of drugs in retail chemist shops was this week laid at the door of the Government, which secures such an advantage with its huge bulk orders that it does not contribute a "fair share" towards the manufacturing costs.

This was stated by the Cape Midlands branch of the Pharmaceutical Society of South Africa, and the view was endorsed by manufacturers themselves.

The State buys 60% of all medicines produced in South Africa and in this way is able to secure tenders on extremely favourable terms.

This situation came to light when a Port Elizabeth doctor drew Weekend Post's attention to a prescription which had been presented to a Railways dispensary, and later taken for a comparison of prices to an ordinary retail chemist.

The cost at one of three local Railway dispensaries was R36,18. The patient — a member of the Railways Transmed Medical Aid Scheme — was liable only for a percentage not payable immediately to the dispensary.

At a retail chemist, the cost would have been more than three times higher — about R120, which the patient would have had to pay in full to the chemist before claiming her share back from the medical aid scheme.

To confirm this surprisingly large disparity, Weekend Post took the same prescription to three other chemists.

One gave the cost at R124,14 and the other two both quoted R112.84. The difference of R11.30 was put down to price increases on new stock.

Weekend Post took these figures to the chairman of the Cape Midlands branch of the Pharmaceutical Society, Mr C Hurter, to find out why there should be such a tremendous variation in the prices, and why costs of drugs should be so high.

Mr Hurter said he was only too well aware of the tremendous variation in the prices and explained: "There is no comparison between prices paid by the ordinary distributionary sector — that is, the retail pharmacist — and the State, semi-State, and in fact the dispensing doctor.

"The State is, in fact, buying 60% of the medicines from the manufacturers in South Africa and in reality paying far less than purchasers of the remaining 40% — because of its tender system in the drugs market."

Because of this, Mr Hurter said, the society was looking at a different way of distribution in which private enterprise would carry the entire burden of the costs. There would be open competition with no protected areas.

"The society is busy on an extensive survey which leads us to believe that the private sector could establish healthcare centres which would be scaled to the needs and the incomes of the groups that it would serve.

"At present the private sector is carrying the overheads in the drug manufacturing industry," he said, "and the

● Turn to Page 3

Big bulk orders by Govt blamed for soaring price of drugs

● From Page 1

State and semi-State organisations such as the Railways are not sharing sufficiently because of their tender system.

"To equalise it, the State should drop the tender system and buy their drugs at standard factory costs."

Mr Hurter added that the State already had a strict mechanism to control prices and to ensure there was no profiteering.

He said the present system of medical aid schemes had made patients and medical advisers unaware of prices. The concept of health-care centres would tighten up the number of visits people would make, and discourage wasted time and money which the medical aid system encouraged.

He explained that the centres would consist of doctors, nurses, pharmacies and all other allied services, like dental and eye care.

"The society is making positive efforts to establish these," he said.

The time had come to change the entire system of medical aid care throughout South Africa, from one based on insurance principles to a completely different concept.

Manufacturers confirmed the society's view that the Government was not contributing its fair share to production costs, but did not want to be quoted by name.

A spokesman for one of the leading manufacturers said: "The industry basically supports the private enterprise system and believes that the retail pharmacy can play a much larger part in the distribution of medicine to the community," he said.

If this happened, it was likely that medicines would reach the consumer at lower prices.

Clash on refusal to re-employ banned chemist

By KENNY NAIDOO

THE Natal Provincial Administration and a number of medical and health organisations have clashed over the NPA's refusal to re-employ banned Durban pharmacist Mr Pravin Gordhan.

He had worked at the King Edward VIII hospital in Durban for eight years as a pharmacist.

The organisations allege that the refusal to re-employ him was politically motivated.

But Dr Fred Clarke, MEC in charge of hospital services for Natal, this week rejected the allegation as "a lot of rubbish".

Dr Clarke said the policy regarding employment in his department was set by him and "the political background of any candidate applying for appointment with the NPA in no way influenced his appointment".

Decision

Dr Clarke added that detainees and ex-detainees in the past who had applied to the department for employment had been taken on and were still employed.

The hospital's decision to refuse Mr Gordhan employment was not influenced by the fact that he had been banned for two years.

But the organisations campaigning for Mr Gordhan's reinstatement have refused to accept these explanations and have condemned the dismissal as "victimisation".

They are the Natal Health Workers' Association, Medical Graduates' Association, Alternate Medical Association and the Medical Students' Representative Council.

Wasted medicines cost SA millions

96
Star
24/9/82

By Colleen Ryan

Huge quantities of unused drugs are thrown away because some doctors overprescribe, says Mr John Ernstzen, chairman of the Representative Association of Medical Schemes.

This waste cost medical aid societies and patients millions of rands each year, he said yesterday.

"Vast sums of money are paid out unnecessarily on placebos, tranquillisers and sedatives because of over-prescribing," said Mr Ernstzen.

In many cases patients were not given full instructions on the use of drugs and this also caused medicines to be wasted, he said.

Some doctors applied "hit and miss therapy," prescribing more than one drug for an infection in the hope that one would work.

Mr Ernstzen said this happened because many doctors were too overworked to give the patient a thorough examination.

These claims are supported by Dr Johan van Almenkerk, honorary secretary of the General Practitioners Group, who is also a member of the Medical Association.

"In general patients are not examined properly, especially those who attend provincial hospitals," said Dr van Almenkerk.

One of the main causes of drug wastage was that doctors gave patients only monthly or three-monthly examinations, he said.

"In some hospitals patients are given a three-month supply of a drug and if there are side-effects they stop using the medicine," he said.

He said the control doctors exercised over drugs had declined in recent years because many were overworked.

"Because of the tariff structure, some doctors are forced to treat as many patients as they can and this has led to a decline in standards."

Several pharmacists agreed that very large quantities of drugs sold over counters were never used.

In a random survey of 10 pharmacists most reported cases where a doctor had prescribed several similar preparations for the same illness.

Most said patients contributed to the problem of over prescribing because they insisted on the medicines.

"One of my customers changed doctors because she said he was not prescribing enough medicines," one pharmacist said.

Pharmacists said over prescribing was more evident when the doctor involved would not listen to the advice of the dispenser.

"I find most doctors in my area are co-operative when I contact them about a problem with a drug, but in some areas it is difficult for pharmacists to establish a relationship with the doctors," said a Malvern pharmacist, Mr E Suskin.

Medical Council agrees to fee increase

CAPE TIMES 14/10/82

Own Correspondent

JOHANNESBURG. — The South African Medical and Dental Council (SAMDC) yesterday agreed to fee increases of up to 30 percent.

However, the proposed increases still have to be vetted by the Minister of Health and Welfare, Dr N A K van der Merwe.

The SAMDC agreed to an average 17,8 percent increase for medical practitioners contracted into medical aid schemes, 30 percent for dentists and 13,8 percent for physiotherapists.

This will be the fourth increase for doctors in three years. In November, 1979, they were granted a huge 52 percent increase. Last November, fees were raised by another 9,9 percent, and in August this year, they were raised by 6,6 percent.

Dentists received a 25 percent increase in February this year.

The increases were opposed by the Representative Association of Medical Aid Schemes at an earlier hearing of an SAMDC committee.

Motiyating a recommendation to increase doctors' fees, the SAMDC medical tarriff committee said the cost of medical services in 1980 represented 1,52 percent of the gross domestic product (GDP) and that a 20 percent increase for medical practitioners would affect the GDP only by 0,128 percent.

● The Minister of Health, Dr N A K van der Merwe, said from Pretoria last night:

"I don't think it would be proper to comment at this stage since I have not been notified. The first I got to know of the increase was when I was watching the news."

HEALTH AND DISEASE — PHARMACISTS

1983, 1984 —

TOP MEDICAL MEN CONFESS

(96) S. Express 6/2/83

Drug companies gave us trips, shares and TV sets

By MARTIN WELZ and WILMAR UTTING

PUBLIC officials and doctors in official positions accepted gifts and favours from a group of pharmaceutical companies that rocketed to success as a major supplier to South African hospitals.

The companies were the Alumina Development Corporation, headed by Mr Isaac Kaye, and its subsidiaries, which later merged with SA Druggists.

Gifts traced by the Sunday Express in the course of a two-month investigation included TV sets, overseas trips, swimming pool equipment, imported chandeliers and parcels of shares, and payment of credit card and garage accounts.

They even included in one case a hunting rifle from Austria and in another an expensive toy for a model boat enthusiast.

MAN WHO CRACKED THE WHIP — Page 2.
THE GIFT TO HARRY SEFTEL — Page 3.
SHARES FOR HOSPITAL OFFICIAL — Page 4.

The practice was described by doctors as widespread and blatant while Mr Kaye headed and controlled the Alumina group. It continued for at least some time after Alumina merged with South African Druggists.

Mr Peter Goldberg, group secretary and Mr Kaye's right-hand man, admitted the practice but said Mr Kaye had personally to approve every gift or payment.

"I saw to it that he signed for them to cover my back," he said.

Among those who confessed to taking gifts from Mr Kaye's companies was Professor Harry Seftel, professor of medicine at the University of the Witwatersrand.

"What I did was wrong," Professor Seftel said about the TV set he accepted from Continental Ethicals in 1976. "Now my career could be ruined."

Another was Mr Jack Nicholson, senior official in the Natal Provincial Administration in charge of hospital supplies.

"I was naive," he said. After being interviewed by the Sunday Express he returned to SA Druggists 500 shares which he had been given in 1979 and sent a cheque to repay a gift he had received from officials of the company a year later.

Dr G Clennar, who practices in Johannesburg, is listed in company records as having renovations costing about R500 to his swimming pool. Dr Clennar at first agreed to discuss the matter but later said he had decided to say absolutely nothing.

Dr Hendrik Krige, a Johannesburg radiologist with a major practice run at five different consulting rooms in the Northern suburbs, admitted he had accepted a Far East tour for himself and his wife even after the SA Druggists takeover.

"I think they helped me with R500 towards our tour in September, 1978 because they hoped I would buy their product — or maybe because I was a good customer. I can't remember whose X-ray film I was using at the time at the time."

Employees and former employees of the group told the Sunday Express the systematic gift-giving was seen as an essential part of an

To Page 2

Whip in Kaye's empire

A CENTRAL figure in the rise of the Alumina group of companies was Mr Max Peter Goldberg, the ambitious young man beside Isaac Kaye.

It was he who cracked the whip, kicked backsides, exposed mistakes and gained the hatred of some of his colleagues in his drive to impress the board of directors and climb to the top of the Alumina empire.

"I pulled Kaye's companies together as soon as I took over the financial side," Mr Goldberg said this week.

"I'm meticulous and have a memory like an elephant. And I'm cheeky. Sure, I kicked backsides. Isaac had a good man in me. I am a very good salesman, I have a flair for business.

"I'm efficient and get things done. Top officials in Pretoria such as Dr Grove and Dr Scheepers (director and deputy director respectively of Transvaal hospital services) would phone me for advice. They knew I would sort them out."

Soon after Mr Goldberg joined Mr Kaye he became the accountant in charge of the books of all the companies.

"Isaac Kaye had pizazz, a fantastic gut feel for a gap or a deal. He's a people's man, a smooth talker.

"He knew everyone in Pretoria. If he needed to get to know someone he got to know them, even if he had to go through a ten-foot wall," Mr Goldberg said.

He and Mr Kaye had planned years in advance where their group was going. They planned it all, he said, who would buy it and even what they would pay.

"I said to Isaac Kaye we could get about R10,5-million but when he handled the deal with South African Druggists he managed to get R12,7-million. I don't know how he did it. Whether it was worth what they paid I would not say."

He commented on the presence of Professor A J Brink of the University of Stellenbosch and Dr Carel de Wet, former ambassador to London, on the board of a major subsidiary company, Labethica:

"Kaye cannot speak or understand Afrikaans. He used people of esteem to help him meet top people in Pretoria.

"You know, having an Afrikaner on the board is like companies today have a black on their board. It helps to open doors," he said.

Asked about gifts to doctors and officials, he said he would regard anything costing more than R100 as unacceptable. Above that the auditors would have questions.

If there had been particular gifts made by the company, Mr Kaye would have approved them, not he.

He said Mr Kaye, when TV started, had got 20 sets as a bargain and had offered them to medical friends, senior officials and Government contacts at the discount price.

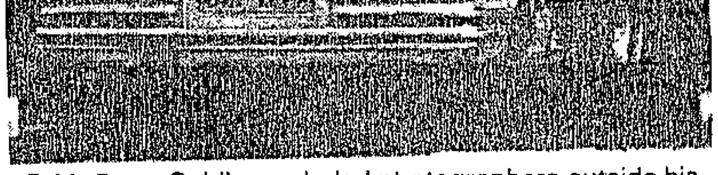
Mr Kaye paid in cash for 18 of them. Whether he had collected the money from the various recipients or was paying it in himself, Mr Goldberg did not know.

"I didn't ask, it was not my business. As far as I was concerned all I wanted was to square my books," he said.

For two of the sets Mr Kaye collected postdated cheques from the recipients, one of them Dr G Scheepers, deputy director of hospital services in Pretoria.

Pressed to explain various invoices, letters and memos signed by himself, Mr Goldberg sprang to his feet and said:

"When your boss tells you to do something you do it, you don't ask questions, do you understand?."



● Mr Peter Goldberg eluded photographers outside his Morningside home this week. Instead, an unknown woman drove off in his car.

WILLEZ and WILMAR UTTING

Now 'I'll talk' medic closes up

A DOCTOR whose name is listed as a recipient of gifts in Mr Isaac Kaye's company books agreed to discuss this yesterday with the Sunday Express — but then cancelled the appointment, saying: "I have thought about this and have decided to say absolutely nothing about the matter."

Dr G Clennar is named in the records of Continental Ethicals as having received as a gift the payment of two bills totalling R530 in July and August, 1977 for the renovation of his swimming pool by Field and Du Toit, a company in Craighall, Johannesburg.

The firm's bookkeeper, Mrs Midge Field, confirmed this week that according to her invoice number 7672 dated June 13, 1977 the firm had sand-blasted and re-marblelited the swimming pool of Dr G Clennar at 46, 6th Street, Lower Houghton, for a fee of R530.

According to her records the account had been paid with two cheques from Alumina Development Corporation: cheque number 66670 for R300 dated July 19, 1977, and cheque number 67027 for R230 dated August 24, 1977.

Telephoned on Friday at his Rosettenville surgery, Dr Clennar said: "I don't know what this is all about."

He added: "I have no record of anything like that. I really feel I must take this matter further."

Dr Clennar agreed to meet the *Sunday Express*, but yesterday he refused to keep the appointment, saying: "You have no right to publish this without my permission."

Medical men confess: We took company gifts

From Page 1

aggressive campaign "to win friends in high places".

It helped the group to capture the bulk of the multimillion rand State tenders for X-ray film and drugs until, at the height of its success, it merged with the giant SA Druggists group in 1977.

Asked about SAD's marketing strategies after that date, managing director and deputy chairman Mr Brian O'Donnell said:

"This could never have happened in this company. Our auditors would never have allowed it to pass. Anything beyond a luncheon is unacceptable. The mere subject I find distasteful.

"If any official in my company indulged in such practices I would insist he be called upon to publicly account for his actions."

The principal vehicles for the Alumina group's gift-giving were Continental Ethicals, which sold pharmaceuticals, and CE Electro-Medical which sold X-ray film and equipment.

Both were subsidiaries of Alumina Development Corporation, the umbrella company for the pharmaceutical empire owned by Mr Kaye and his partners:

● Mr Barney 'Dusty' Miller, who has since emigrated to London where he runs a British-based pharmaceutical company controlled by the partners.

● Mr Richard Lurie, ex-president of the Johannesburg Stock Exchange.

● Mr David Tabatznik, millionaire boss of a private hospital and nursing homes empire.

Mr Kaye, Mr Miller, and Mr Tabatznik are all millionaire pharmacists.

To smooth the way to success, the Alumina group sought the goodwill of influential people in political and medical circles, among them:

● Professor A J Brink, Dean of the Medical Faculty of the University of Stellenbosch, personal physician to South African Prime Ministers and State Presidents, member of the South African Medical and Dental Council and president of the Medical Research Council.

Prof Brink received director's fees and a company car and had shares registered in his childrens' names.

● Dr Carel de Wet, former Minister of Health and ambassador to London. He also accepted a directorship and fees.

● Dr Hennie Grove, director of Transvaal hospital services and his deputy, Dr G Scheepers who were both assisted to buy TV sets by Mr Kaye. Dr Grove said they had repaid Mr Kaye for the sets.

Dr Scheepers could not be reached for comment.

● Mr B D T Boshoff, member of the Transvaal Provincial Council who was later employed by the company as its liaison man to negotiate with government and provincial officials.

Comments were sought this week from the principal figures.

Prof Brink, while admitting that he received a director's salary and car from Labethica, a major subsidiary in the group, said he had not attended any directors' meetings.

"I did, however, advise them on some medical matters. I have nothing further to say."

He would not discuss why his shares had been held in his children's names and denied ever having gone to Europe at the company's expense. However, when reminded of a winter trip to Austria, he said, yes, he did go on such a trip. He acted, he said, as a consultant on some drugs.

Dr de Wet described his directorship as "something of a mistake".

"Dave Tabatznik approached me soon after I got back from eight years in London. I might have received a director's salary, but I was never active in the company. While they might have wanted me to do introductions in government circles I cannot recall ever having got round to it," Dr de Wet said.

Mr Boshoff, in Cape Town for the opening of Parliament, cut short a phone interview. "I cannot help you," he said.

The Sunday Express sought an interview with Mr Kaye and was told by his secretary in Johannesburg, a Mrs Verster, that she would convey this message to Mr Kaye who is on holiday in Europe. Mr Kaye did not return the call.

His right-hand man in Alumina, group secretary and accountant Mr Peter Goldberg, said Mr Kaye had to personally approve all payments and gifts from the group.

In addition, he said, monthly schedules of all gifts and expenditure were prepared for presentation to and approval by the board to satisfy the auditors that they were made to advance the interests of the company.

Mr Tabatznik said that while he and Mr Lurie had together been major shareholders in all the companies they had been directors in only one, Labethica, where he had regularly attended directors' meetings.

"In the company for which I was responsible as director I do not believe such practices took place. I would never have permitted them."

Mr Tabatznik was a member of the Steenkamp commission in 1978 which investigated malpractices in the pharmaceutical industry and which had recommended to the Government that it should be made illegal for pharmaceutical companies to offer any inducements whatsoever to doctors.

Mr Tabatznik said: "I still strongly subscribe to this view."

Approached yesterday, Mr Richard Lurie said he was unable to comment on the Sunday Express disclosures about gifts handed out by CE Electro-Medical and Continental Ethicals.

"I was not familiar with their daily conduct. I had not heard of this and I am unable to help you at all," he said

MEDICAL PAYOFF SCANDAL

Goldberg cracked the whip in Kaye's empire

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Asked about gifts to doctors and officials, he said he would regard anything costing more than R100 as unacceptable. Above that the auditors would have questions.

If there had been particular gifts made by the company, Mr Kaye would have approved them, not he.

He said Mr Kaye, when TV started, had got 20 sets as a bargain and had offered them to medical friends, senior officials and Government contacts at the discount price.

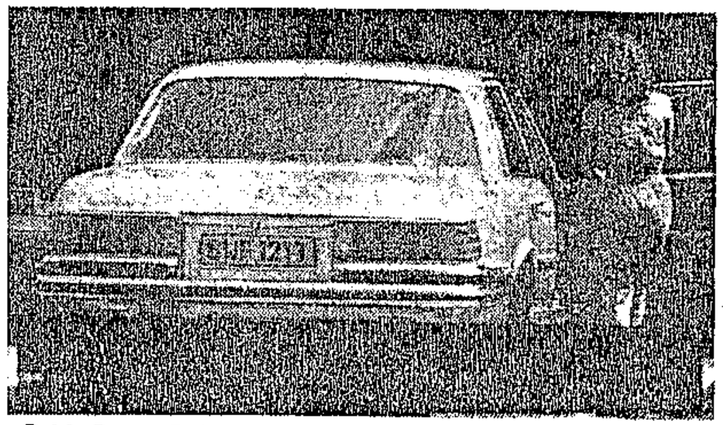
Mr Kaye paid in cash for 18 of them. Whether he had collected the money from the various recipients or was paying it in himself, Mr Goldberg did not know.

"I didn't ask, it was not my business. As far as I was concerned all I wanted was to square my books," he said.

For two of the sets Mr Kaye collected postdated cheques from the recipients, one of them Dr G Scheepers, deputy director of hospital services in Pretoria.

Pressed to explain various invoices, letters and memos signed by himself, Mr Goldberg sprang to his feet and said:

"When your boss tells you to do something you do it, you don't ask questions, do you understand?."



● Mr Peter Goldberg eluded photographers outside his Morningside home this week. Instead, an unknown woman drove off in his car.

Special reports by MARTIN WELZ and WILMAR UTTING

Now 'I'll talk' medic closes up

A DOCTOR whose name is listed as a recipient of gifts in Mr Isaac Kaye's company books agreed to discuss this yesterday with the Sunday Express — but then cancelled the appointment, saying: "I have thought about this and have decided to say absolutely nothing about the matter."

Dr G Clennar is named in the records of Continental Ethicals as having received as a gift the payment of two bills totalling R530 in July and August, 1977 for the renovation of his swimming pool by Field and Du Toit, a company in Craighall, Johannesburg.

The firm's bookkeeper, Mrs Midge Field, confirmed this week that according to her invoice number 7672 dated June 13, 1977 the firm had sand-blasted and remarblelited the swimming pool of Dr G Clennar at 46, 6th Street, Lower Houghton, for a fee of R530.

According to her records the account had been paid with two cheques from Alumina Development Corporation: cheque number 66670 for R300 dated July 19, 1977, and cheque number 67027 for R230 dated August 24, 1977.

Telephoned on Friday at his Rosettenville surgery, Dr Clennar said: "I don't know what this is all about."

He added: "I have no record of anything like that. I really feel I must take this matter further."

Dr Clennar agreed to meet the Sunday Express, but yesterday he refused to keep the appointment, saying: "You have no right to publish this without my permission."

Medical men confess: We took company gifts

From Page 1

aggressive campaign "to win friends in high places".

It helped the group to capture the bulk of the multimillion rand State tenders for X-ray film and drugs until, at the height of its success, it merged with the giant SA Druggists group in 1977.

Asked about SAD's marketing strategies after that date, managing director and deputy chairman Mr Brian O'Donnell said:

"This could never have happened in this velopment Corporation, the umbrella company for the pharmaceutical empire owned by Mr Kaye and his partners:

● Mr Barney 'Dusty' Miller, who has since emigrated to London where he runs a British-based pharmaceutical company controlled by the partners.

● Mr Richard Lurie, ex-president of the Johannesburg Stock Exchange.

● Mr David Tabatznik, millionaire boss of a private hospital and nursing homes empire.

Mr Kaye, Mr Miller, and Mr Tabatznik are all millionaire pharmacists.

Health and ambassador to London. He also accepted a directorship and fees.

● Dr Hennie Grove, director of Transvaal hospital services and his deputy, Dr G Scheepers who were both assisted to buy TV sets by Mr Kaye. Dr Grove said they had repaid Mr Kaye for the sets.

Dr Scheepers could not be reached for comment.

● Mr B D T Boshoff, member of the Transvaal Provincial Council who was later employed by the company as its liaison man to negotiate with government and provincial officials.

yes, he did go on such a trip. He acted, he said, as a consultant on some drugs.

Dr de Wet described his directorship as "something of a mistake".

"Dave Tabatznik approached me soon after I got back from eight years in London. I might have received a director's salary, but I was never active in the company. While they might have wanted me to do introductions in government circles I cannot recall ever having got round to it," Dr de Wet said.

Mr Boshoff, in Cape Town for the opening of Parliament, cut short a phone interview. "I cannot help you," he said.

were made to advance the interests of the company.

Mr Tabatznik said that while he and Mr Lurie had together been major shareholders in all the companies they had been directors in only one, Labethica, where he had regularly attended directors' meetings.

"In the company for which I was responsible as director I do not believe such practices took place. I would never have permitted them."

Mr Tabatznik was a member of the Steenkamp commission in 1978 which investigated malpractices in the pharma-

MEDICAL PAYOFF SCANDAL

'op Natal official tells how he got radio unit for model boat

SENIOR official in tal's provincial hospi- administration, Mr k Nicholson, admitted week that he had ac- ted two gifts — 500 res in South African ggists and a control t for his model boat — m employees of a up of drug companies ded until recently by Isaac Kaye.

ir Nicholson, the man in rge of hospital supplies the province, denied that had at any time used his uence to benefit any par- ılar drug company.

Iowever, he said that r speaking to the Sunday ress this week he sent k the shares by regis- ed post to SA Druggists case there was anything gal or immoral in the ac- tance of the shares".

Ie also sent the company ieque for R482,12 to cover idends he had received m the shares, plus inter- and GST.

ir Nicholson, confronted is office in Maritzburg ly in the week with evi- ce of the gifts, at first ed accepting them.

Ie had, he said, paid by que for the shares and personally purchased boat unit on a visit to annesburg. He still had price tag to prove it.

He rose from his desk, and kneeling on the carpet, groped under a small side table to peel off a yellow price tag for R238 which he had concealed for two years.

'I've sent it all back in case there was anything illegal or immoral'

But in a tense telephone call a few days later Mr Nicholson read a prepared statement in which he admitted accepting the gifts but said he had never at any time used his influence to benefit any one company.

He explained that the radio control unit for his model boat was the fulfilment of a humble man's dream but that it had since become the object of sleepless nights for him.

The parcel was delivered to him in his office on the fourth floor of the Natal Provincial Building in Maritzburg by two senior officials from CE Electro Medical, a subsidiary of SA Druggists.

One of the visitors was Mr B D T Boshoff, member of the Transvaal Provincial Council, who doubled as the company's liaison man with provincial administrations. The other was the company's managing director, Mr Frans Erasmus.

Mr Nicholson explained to the Sunday Express just how it came about that he had accepted the gifts.

After a coronary he had been advised to take up a light hobby, and he had decided to build himself a 1m model boat.

"I had just got R230, a nice bit of money, from the Receiver of Revenue but when I looked at radio control units in Maritzburg they were pricey and I decided to make use of my friends.

"I asked Mr Steven (then sales director of CE Electro-Medical) to find me a three to four channel unit wholesale in Johannesburg for a maximum of R120."

When Mr Boshoff and Mr Erasmus arrived in his office and handed over the package he had asked them, he said, how much he owed.

"They said they knew nothing of the price and said vaguely it would be sorted out later. When they had gone I opened the parcel and was absolutly shattered to see the price (R238) when I had asked them to spend only R120.

"I drew the money and walked around with it in an envelope in my pocket for weeks until a rep from the company called on me and I asked him to hand it to the office. I heard no more about it.

"I have used the boat only once, I sailed it on the river," Mr Nicholson said. "I am not well."

"Now I have paid twice for the unit, I feel so strongly about what has happened."

The gift of shares had come a year earlier. Investigations show that Mr Nicholson received a letter containing a certificate for 500 shares in South African Druggists, now worth about R900, from Mr Max Peter Goldberg, executive officer of Continental Ethicals, another company in the Kaye empire.

Mr Nicholson was required to sign a form and send a cheque for only R1 to Mr Isaac Kaye's company, Veritas International Promotions. Part of the correspondence is in the possession of the Sunday Express.

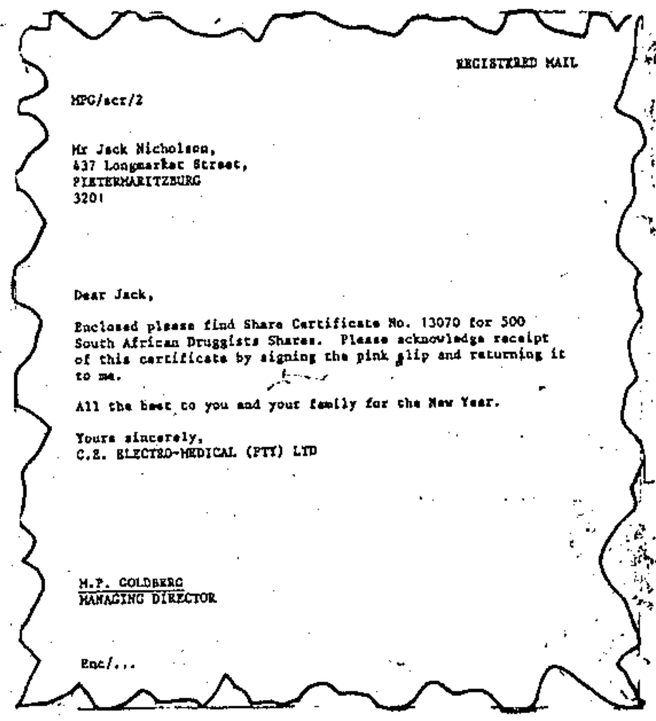
"When I phoned Peter Goldberg and asked the cost (of the shares) he said this would be sorted out later," Mr Nicholson said this week. He had accepted the shares as a gesture of genuine friendship.

Mr Nicholson said he had made sure he kept in his bank account an amount of R135 which he calculated he could be called on to pay for his shares. But he heard no more he said, although dividends of about R30 kept coming from the company every six months.

"When Mr Goldberg first offered me the shares on the telephone I thought he was offering them to me as a friend, not as someone paying me back for something I had done for him.

"When I made recommendations (to the province on tenders) I made them without any thought of benefit to myself. In fact at one time I was responsible for saving the Government R460 000 when I exposed a malpractice in a tender."

After being questioned by the Sunday Express, Mr Nicholson sent back the shares together with his Trust Bank cheque to repay the dividends he had received and to reimburse the company for the boat control unit, for interest and for sales tax.



REGISTERED MAIL

MPG/scr/2

Mr Jack Nicholson,
437 Longmarket Street,
PIETERMARITZBURG
3201

Dear Jack,

Enclosed please find Share Certificate No. 13070 for 500 South African Druggists Shares. Please acknowledge receipt of this certificate by signing the pink slip and returning it to me.

All the best to you and your family for the New Year.

Yours sincerely,
C.E. ELECTRO-MEDICAL (PTY) LTD

M.P. GOLDBERG
MANAGING DIRECTOR

Enc/...

● Mr Peter Goldberg had forgotten sending shares to an official — until shown this letter.

His letter was marked for the attention of Mr Erasmus who, unknown to Mr Nicholson, left the services of SA Druggists earlier this month.

Mr Nicholson started a long accompanying letter: "It appears I have been rather naïve and have been misled by two employees, Mr Goldberg and Mr Lunn Steven, both of whom I sincerely believed to have been my friends."

Mr Steven, who has now left the company, said during the first telephone interview with the Sunday Express that he had always

Mr Nicholson.

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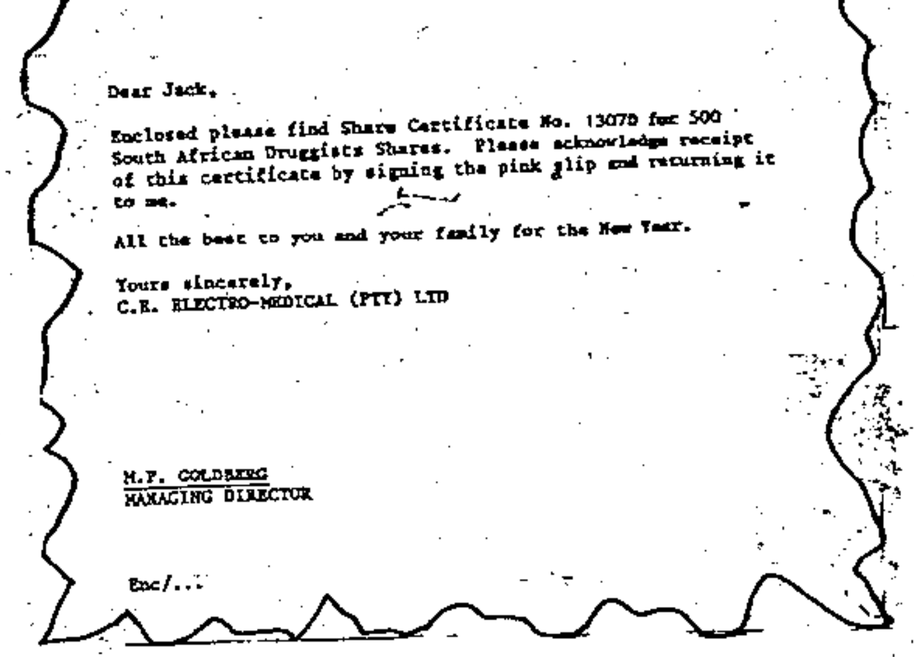

Dear Jack,

Enclosed please find Share Certificate No. 13079 for 500 South African Druggists Shares. Please acknowledge receipt of this certificate by signing the pink slip and returning it to me.

All the best to you and your family for the New Year.

Yours sincerely,
C.E. ELECTRO-MEDICAL (PTY) LTD

M.P. GOLDBERG
MANAGING DIRECTOR

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Mr Nicholson started a long accompanying letter: "It appears I have been rather naïve and have been misled by two employees, Mr Goldberg and Mr Lunn Steven, both of whom I sincerely believed to have been my friends."

Mr Steven, who has now left the company, said during the first telephone interview with the Sunday Express that he had always made it a practice to "keep out of things like that" and that, although he had "heard things in the marketplace", he in fact knew absolutely nothing about a "boat motor".

Telephoned again the next day he said he had recalled that Mr Nicholson had asked for not a motor, but a control unit. This would have been handled by Durban office and invoiced from Durban.

During a third telephone call he said he now remembered Mr Nicholson talking to him about the control unit and that he must have asked his secretary in Johannesburg to purchase it.

Mr Erasmus said he could recall going to Maritzburg with Mr Boshoff, but they had been to see someone entirely different — not Mr Nicholson. He had never heard of a control unit for Mr Nicholson.

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He then cut short the conversation.

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First he said he had obviously assumed Mr Nicholson had paid for the shares. Then he said he must have been instructed to send the certificate by Mr Kaye.

Asked why he or Mr Kaye had not insisted on being paid, Mr Goldberg said: "I don't know, I just did what Mr Kaye told me to do, do you understand?

"Maybe Mr Kaye was sending him some shares as a thank you for the favours he had done. He helped us a lot, he helped us out of many tricky situations.

"If he expected to pay, why didn't he? He should have insisted.

"It's nasty and I feel sorry for him. He must be religious and is now feeling guilty. Now he is just making a fool of himself."

Action on drug tests

Newspaper reports of the questionable practice of drug companies making substantial gifts to doctors who tested their products have shaken the medical and pharmaceutical world. FREDERICK CLEARY reports.

The medical profession and pharmaceutical industry have called for a re-examination of their relationship after reports of doctors accepting expensive gifts from drug houses.

The president of the South African Pharmacy Board, Mr G Clark, has said the Medical Council and his board should "get together and do something about it," while the Dean of the School of Medicine at the University of the Witwatersrand, Professor Saul Zwi, and a spokesman for the country's largest drug company, Mr Tony Karis, have agreed that some clarification is necessary.

They were commenting on a Sunday newspaper report which alleged that a drug company and two of its subsidiaries had given TV sets to doctors and administrators employed by the State, contributed towards overseas holidays and the installation of swimming pools, and even given shares in a public company in order to promote their products.

One company named in the report has since been absorbed by SA Druggists, of which Mr Karis is the senior general manager.

Both Mr Karis and Professor Zwi said it was a worldwide and acceptable practice for doctors to be given presents and entertained by drug companies. But this did not imply that doctors could be "bought" and that there was anything unethical in this arrangement.

Mr Karis said there was fierce competition in the drug industry and firms were naturally anxious for the medical world to test and use their particular products.

Doctors, companies to act on 'gifts for tests' system

While there was no problem about any commercial arrangements made between drug houses and doctors in private practice, the difficulty arose when it came to dealing with State employees, particularly those in senior administrative positions who controlled huge budgets, such as in hospitals.

Professor Zwi said: "The acceptance by doctors of small gifts and favours has long been a common practice. The difficulty arises in drawing the line and we in the medical profession will now have to look into and attempt to clarify the matter."

A senior members of the Medical School, Professor Harry Seftel, was reported to have accepted a television set in 1976 in return for testing a product. He has declined to comment further on the situation, but it is understood that no action has been taken against him.

Professor Zwi said that for years representatives of drug companies had taken doctors out for meals and bought them small gifts, such as golf balls and fountain pens.

Generally these arrangements were harmless but the trouble arose when a token gift became a big gift.

"I like to think that no doctor is influencd by these gifts, or his scientific judgment impaired if he is testing a drug at the request of a particular company," Professor Zwi said.

"But now, because of what has come to light, I intend taking the matter up within our own faculty at the School of Medicine."

Mr Karis said that since the newspaper exposure of what had been done by the company now absorbed by his firm, all related bodies should together work out an acceptable format.

Mr Karis said it was fair that doctors be rewarded for testing products. Often they devoted many hours to and used their expertise in an evaluation.

But State employees were not permitted to accept payment for such work. Here lay the problem and it needed to be resolved.

Mr Karis said the standards maintained by the 80 drug companies operating in South Africa were comparable with any in the world, and the industry had built up a sizeable export trade.

Both Mr Karis and Professor Zwi said the medical world owed much to the pharmaceutical indutry in South Africa.

As was the case abroad, drug companies sponsored seminars, paid expenses for local and foreign doctors to attend such conferences, awarded scholarships and paid for tuition and textbooks for some students as well as pouring vast sums of money annually into research.

Professor Zwi said most people in both professions worked together for the overall benefit of medical science.

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Medical gifts claims 'perturbing'

THE managing director of South African Druggists is "deeply perturbed" by reports claiming medical practitioners and State officials had received "substantial gifts" from pharmaceutical company officials.

Speaking to Sapa after a meeting of the board of directors of the giant pharmaceutical group of companies, Mr B T O'Donnell said SA Druggists had never found it necessary to resort to such practices.

He said this apparently happened prior to the SA Druggists' acquisition in 1977 of some of the companies allegedly involved and may have continued for a short period thereafter without the permission of SA Druggists management.

Such practices were unacceptable to both himself and the board. An official inquiry would be welcomed, he said.

PAT SIDLEY reports that doctors may hold shares in any company — including drug companies — if they do not abuse that involvement, according to the chairman of the South African Medical and Dental Council, Professor Frans Geldenhuys.

He was responding to articles in a Sunday newspaper which named two top medical men — both in the public service — as having profited from shares they allegedly held at one time in SA Druggists and two associate companies.

Prof Geldenhuys said it could become unethical if the doctor sat on any tender committees which had to buy products from the company and his involvement with the company impaired his objectivity in recommending a purchase.

Doctors may not trade in medicines themselves, but he did not believe owning shares in drug companies constituted trading in medicines.

He could not comment on the allegations, however, because he had not read the article and could not react until a complaint had been laid with the council.

As far as he was aware there had not yet been any complaints — although one could arise.

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Star 28/2/83 (96)

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quote from Mr van Vuuren's letter of resignation which states: 'I would appreciate it if the council would issue a statement saying that all differences have been settled and that I have resigned voluntarily.'"

The circular refutes complaints that the council refuses to meet the association and says that, in terms of the standing orders, the management committee may receive a deputation after it has submitted a memorandum.

Referring to "Mr Clipsham's irresponsible and mostly incorrect statements concerning the finances of the council", the circular says Midrand showed a small deficit of R121 000 after making a contribution of R350 000 to the capital development fund in its first year.

Doctors are cashing in on drugs trade, says Van Zyl

By Colleen Ryan

Many South African doctors are buying drugs at cut prices from manufacturers and making profits ranging from 50 to 800 percent in the re-sale of the medicines, claims Mr Kosie van Zyl, vice-president of the South African Pharmacy Board.

"Between 1 000 and 2 000 doctors in South Africa sell medicines in competition with pharmacies, buying supplies from manufacturers at ridiculously low prices," Mr van Zyl told The Star.

In a recent issue of SA Retail Chemist, Mr van Zyl was quoted as saying some doctors received extra bonuses from manufacturers for selling their medicines.

"These doctors do not only sell to their own patients, but some also re-sell to retail pharmacies and wholesalers.

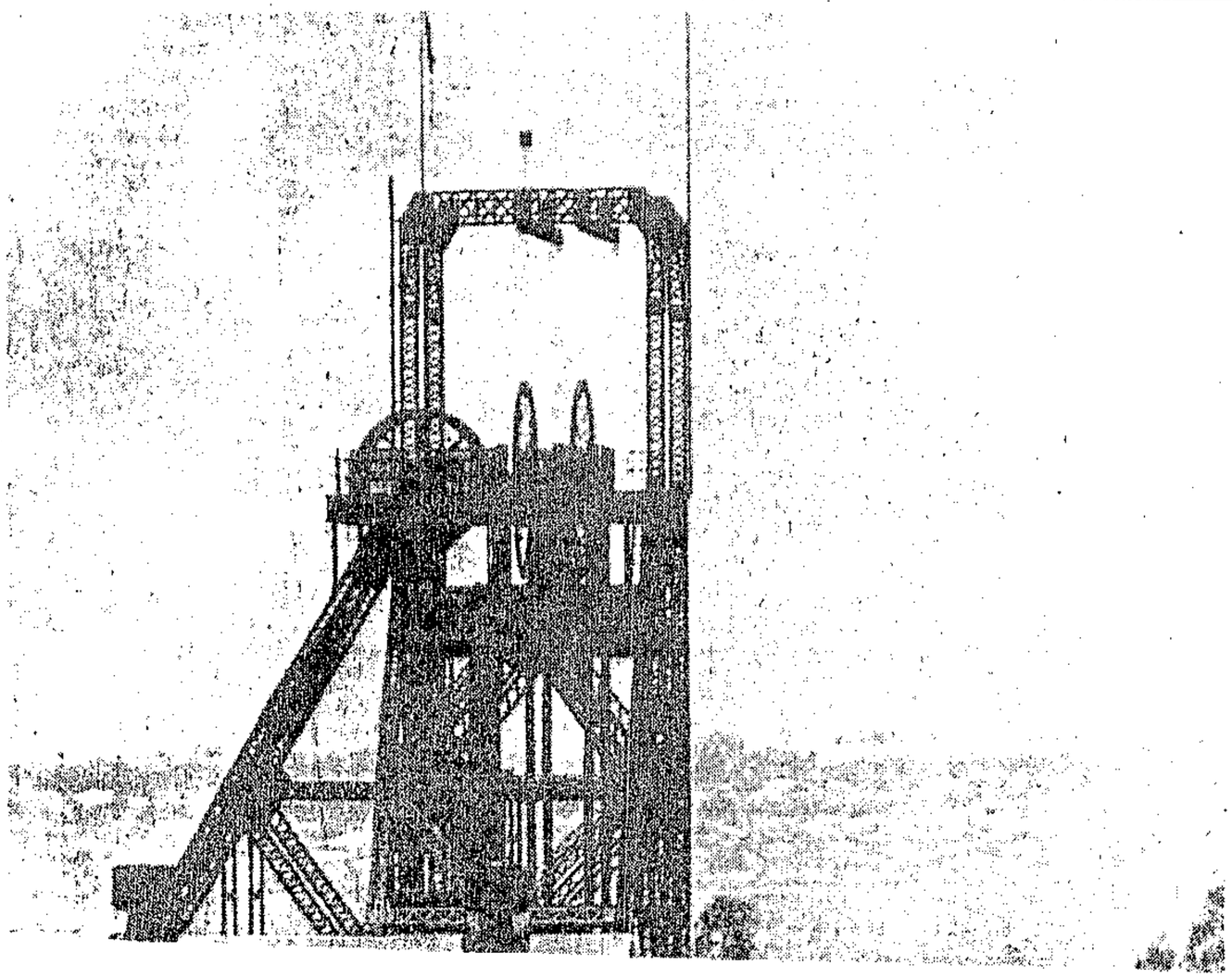
"Everybody is making a good profit in the chain of buying and selling and it is the man-in-the-street who is the loser."

Mr van Zyl, who manages a large wholesale drug business in Cape Town, said doctors had approached him offering to sell medicines at prices lower than the manufacturers' wholesale price.

"These manufacturers are selling drugs to doctors cheaper than they do to wholesalers," he explained.

Mr van Zyl, who is also a member of the SA Medical and Dental Council, said the council had policy rulings regarding the dispensing of drugs.

"Doctors should not sell drugs in competition with pharmacies, and if a situation arises where they do dispense drugs, they are required to recoup their money at a reasonable profit level."



Plan for R60-m canal scheme to go ahead

CAPE TOWN — The Government has decided to go ahead with the construction of a R60 million canal scheme between the P K le Roux Dam and the drought-stricken Rietrivier area in the south-western Orange Free State.

The decision had been taken despite severe financial restrictions, the Minister of Agriculture and Fisheries, Mr Sarel Hayward, said in a statement issued in Cape Town.

The Rietrivier area was experiencing an exceptional drought and the

Banned drug is on sale in South Africa

(1983) (96) Tribune 6/3/83

Tribune Reporter

THE pain-killer drug Zomax, which has been withdrawn temporarily in the United States by Johnson and Johnson after five deaths from allergic reaction were linked to it, is available on prescription in South Africa.

Johnson and Johnson — which last year had to withdraw its Tylenol capsules after some were found to have been poisoned with cyanide, causing seven deaths — said Zomax would be withdrawn pending relabelling of the product.

A US Food and Drug Administration official said in Washington the drug was clearly labelled not to be used by people hyper-allergic to aspirin, as two of the people who died had been.

He said an estimated 15 million people had taken the drug since it was approved in 1980. His organisation had received 1 000 reports of adverse reactions in the past two-and-a-half years.

In Durban, the national president of the Pharmaceutical Society of South Africa, Don Sutherland, said he was unaware of any moves to withdraw the drug here, probably because the action had only just been taken in the US.

Pharmacist sacked for taking pay-offs

17/4/83 96 S. Express

By WILMAR UTTING and MARTIN WELZ

A PHARMACIST was this week sacked from a Chamber of Mines hospital for accepting regular sums of hundreds of rands from a medical supplies company.

Mr Sid Dinkelman, the hospital's pharmacist for the past six years, was told his services were "terminated immediately" by the general manager of the Rand Mutual Hospital in Eloff Street Extension, Johannesburg.

The hospital provides specialist treatment for black miners. Its name headed a list of hospitals that paid 10% more for surgical supplies bought from an SA Druggists subsidiary, Surgicare. The books show the surcharge was then used to cover the cost of secret commissions to hospital employees.

A special company file marked 'Wenela (Rand Mutual)' shows regular amounts paid to Mr Dinkelman based on purchases for his hospital.

Records show that in one year — from November 1979 to December 1980 — he was paid a total of R4 739 in 10 separate amounts calculated on orders totalling more than R77 000.

The payments were made by cheque. Company sources said Mr Dinkelman would either call at the company's office to collect the cheques or, on occasion, company officials were sent to the hospital to deliver them.

They were charged by the company to 'commissions', 'advertising' or 'promotions'.

Mr Dinkelman admitted to the Sunday Express he had received money from Surgicare totalling several thousand rands. They were not commissions but loans, he said.

He denied the hospital had paid more to cover payments to him.

"I was in financial difficulty and approached my friends at Surgicare — the managing director, Mr Bill Kennedy and another director, Mr Neil Wickham — for help with a loan.

"They were unable to give me a lump sum, I think because they were part of a public company. But they agreed to pay me something from month to month on a pro-rata basis. It was not to the detriment of either their company or my employers, as they knew I would repay the money," he said.

He admitted he had not, in fact, repaid anything and did not know what the total amount was he had received. "But I am now in a position to repay whatever I owe if I sell my house," he said.

Mr Basil Baker, the hospital's general manager, also received an explanation from Mr Dinkelman, but it did not tie in with documentary evidence, he said, and Mr Dinkelman was immediately sacked.

Mr Baker wrote a letter of thanks to the Sunday Express for assisting to uncover the "corruption in the purchasing of supplies for the Rand Mutual Hospital".

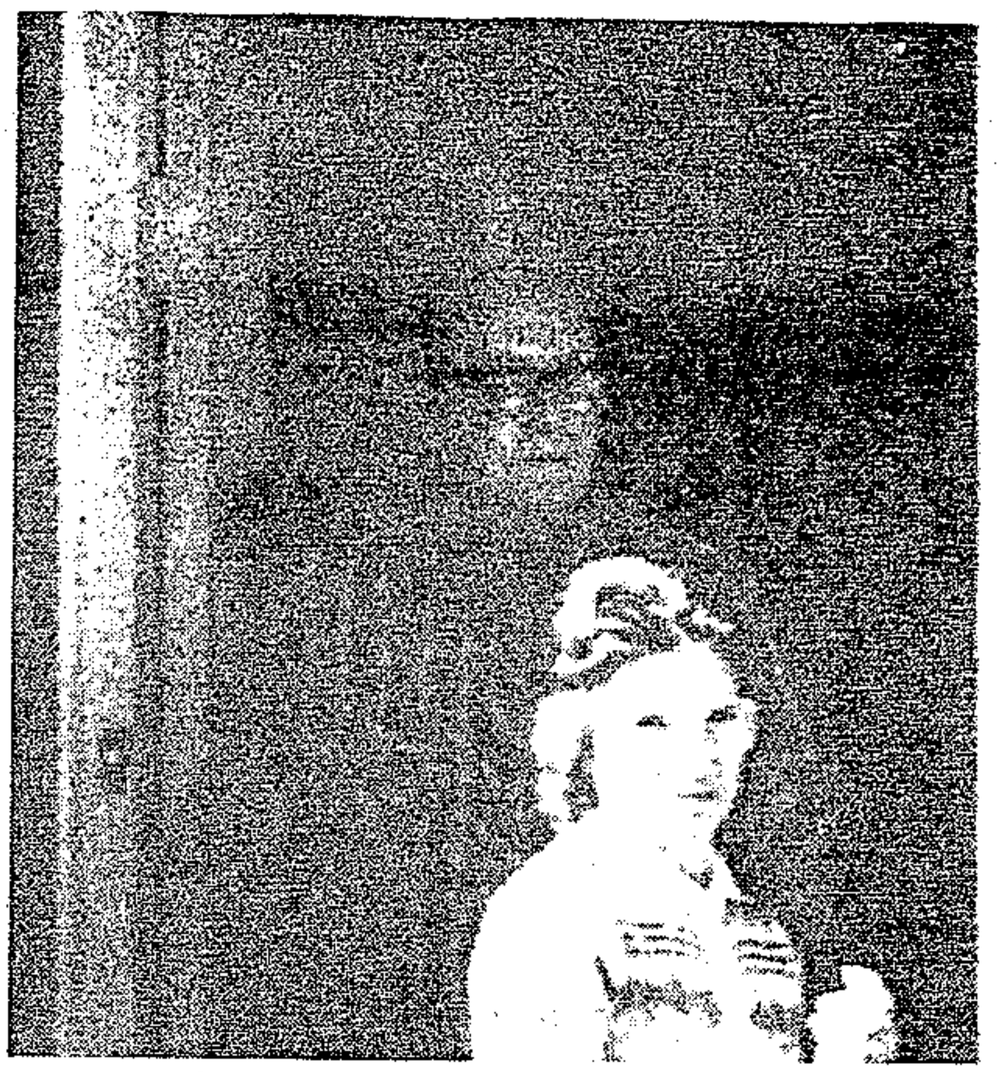
"It is a matter of concern that such a malpractice could have occurred in spite of extremely strict controls," Mr Baker said.

The Sunday Express asked Mr Dinkelman why Mr Kennedy had not confirmed his explanation to Mr Baker. Mr Dinkelman said Mr Kennedy had refused to put it in writing.

Until Mr Dinkelman was sacked he was still doing business with a surgical supplies company, Intersurge, which Mr Kennedy and another former SAD employee, Mr Anthony Marshall, set up after Surgicare was closed down by SAD.

Mr Kennedy refused to discuss the matter with the Sunday Express. "As far as I am concerned you are just stirring," he said.

HOSPITAL ACTS ON SUPPLIER'S PAYMENTS TO SENIOR EMPLOYEE



● Mr Sid Dinkelman and his wife — he took money from medical company.



● Mr Bill Kennedy ... paid Mr Dinkelman

(b) 1;

(c) 62.

(ii) Various reasons were given such as better remuneration elsewhere, marriage and or pregnancy in the case of females, transfer of husband or to follow other careers.

(96) **Prescription drugs** Hansard Q.601.1052 21/4/83

695. Dr. M. S. BARNARD asked the Minister of Health and Welfare:

What amount was spent by the Government on subsidizing prescription drugs in the 1981-'82 financial year?

The MINISTER OF HEALTH AND WELFARE:

R24 901 818; this amount covers the expenditure in respect of all the medicine furnished by the Department.

One in five can afford dental care

May 1983

The 38th annual meeting of the Pharmaceutical Society of South Africa began in Johannesburg today with a symposium on future trends and opportunities for the health profession. The symposium, chaired by Professor S A Strauss, of the University of South Africa, is expected to bring new ideas for co-operation between public and private sectors to meet the growing needs for the provision of health in the future. Reports by Zenaide Vendeiro and Eugene Saldanha.

Only about one fifth of the population can afford dental services and most of those need help from medical schemes, Dr A M Ferreira, president of the South African Dental Association, said today at the annual meeting of the Pharmaceutical Society.

Dr Ferreira said that in South Africa although the affluent, largely white, section of the population received sophisticated dental care there was a section of the population that received virtually no treatment at all.

"Sacrifices may have to be made to help the State provide a comprehensive form of dental care for the entire population," he said.

This might see the greater use of dental auxiliaries in private practice.

"It would imply a greater turnover, reduced cost of dentistry and more time devoted to advanced procedures," he explained.

It was estimated that, in present economic conditions, the State would not be able to increase its contributions to dental costs for the next 20 to 30 years. The consumer would also find it increasingly difficult to afford increased costs.

"This might put the dental profession back to where it was about 30 years ago," said Dr Ferreira, "when the patient did not think of primary and secondary prevention but only of the relief of pain.

"The cost of dentistry is high and it is possible that consumer pressure may, as has happened in other countries, force some changes in the delivery of dental care.

"Being mindful of the force of such actions we should seek to keep dentistry within reasonable costs without reducing standards of treatment or causing an erosion of the profession's income," Dr Ferriera said.

Professor wants wider role for nurses in future

A multi-disciplinary health team was necessary to provide a comprehensive health care service, said the president of the South African Nursing Association, Professor Margaretha van Huyssteen.

No individual professional worker, regardless of training, had sufficient skills to render a complete service to individuals, family or community.

Professor van Huyssteen said modern health care necessitated a deepening and widening of the traditional nursing role.

She quoted the previous Director-General of the Department of Health, Dr J de Beer, as saying the nurse "will inevitably have to accept the greatest burden of the responsibility for primary health care".

Present nursing programmes, she said, would be gradually phased out and replaced by a comprehensive programme integrating general, psychiatric and community nursing and midwifery in one programme. "The nurses of the future will therefore be even better prepared to meet the health needs of the community."

The scene was set for the expansion of a comprehensive State health service.

"Unfortunately this is not the case in the private sector, where certain restrictions prevent a nursing service developing to full potential," she said.

It should be possible, she believed, for a nurse under certain circumstances to examine a patient, make a diagnosis and in consultation with the pharmacist prescribe and administer certain medicines without referring to a medical practitioner.

A further limitation on an adequate nursing service in the private sector was the lack of provision for nursing care under medical schemes, Professor van Huyssteen said.

Private sector can do more

If the private sector did not play a greater role in health services, South Africa's critical shortage of health resources would get worse, the Director-General of Health, Dr K Retief, said today.

At the Pharmaceutical Society of South Africa's annual conference, which began this morning in Johannesburg, Dr Retief said private enterprise had always had an important role in the country's health, but it was time it played a greater role in providing primary health services.

Doctors should train for Third World conditions

Medical students should be more aware of the health problems of the Third World and better trained in family and general medicine for these communities.

This was said today by Professor J N de Klerk, chairman of the Medical Association of South Africa (Masa).

At the annual congress of the Pharmaceutical Society of South Africa Professor de Klerk said much of South Africa's population lived under Third World conditions, but medical training was geared mainly to a Western society.

"Obviously more attention must be paid to training the young doctor to accept his community obligations and involvement.

"The practitioner must also be involved in ongoing medical education programmes under the control of medical schools and in association with Masa."

Dr de Klerk appealed to the Government to consider a new fee structure for private practitioners and higher salaries for State-employed doctors.

"If an overall medical scheme system is worked out to cover the major portion of the population it will take a large burden off the shoulders of the State and place it within the confines of the private sector," he told the congress.

Dr de Klerk said doctors in the public sector had not received increases in salaries during the past two years, and warned that this would lead to a serious drain of doctors from the public health services.

"Primary health care represents the point of entry into a comprehensive health care system — the first contact with the professional. These services should be extended until we have adequate facilities to cater for the daily personal health needs of all our peoples. At present the provincial and State health services carry the bulk of the burden, but it goes without saying that these agencies cannot continue carrying the full responsibility," Dr Retief said.

On recent reports of irregularities among the medical and pharmaceutical fraternities, Dr Retief said: "I have great faith in both professions and with dialogue and good faith we will be able to sweep the skeletons from our cupboards."

Better planning needed as cities grow

The growth of urban areas will entail more effective planning and co-operation among all facets of health facilities and services, said Mr Don Sutherland, president of the South African Pharmaceutical Society.

Smaller health care centres were already envisaged by the State, he said. "However the society envisages them being financed and run by the private sector and incorporating all the necessary services such as medical practitioners, dentists, nurses, physiotherapists, health educationists and nutritionists and dispensing practices."

Industrial health care centres, serving several industries, had great potential, he said.

"These centres would encourage the provision of an organised health service to industrial workers and educate them into accepting private sector-based medical aid, for which they will have to assume some economic responsibility."

On the matter of health services in the rural areas, Mr Sutherland suggested the use of mobile dispensaries. The setting up of rural clinic dispensaries was also overdue, he said.

Mr Sutherland also appealed for the introduction of a two-tier tariff system. "Our present tariff caters for the economically affluent population and does not meet the needs of socio-subeconomic groups."

Medical aid 'could be a luxury'

By Eugene Saldanha

If subscription rates kept rising, medical cover could soon become a luxury that only the privileged few could afford.

The president of the Representative Association of Medical Schemes (RAMS), Mr J Ernstzen, sounded this warning at the annual congress of the South African Pharmaceutical Society in Johannesburg yesterday.

F 3 MAY 1983

Pharmacists are 'bound to the dispensary counter'

Pharmacists could not function effectively as primary health care agents because there were too many legal restraints on them, the president of the South African Pharmacy Board, Mr G Clark, said yesterday.

He was addressing the annual congress of the South African Pharmaceutical Society in Johannesburg.

Mr Clark said there was a need to give pharmacists greater freedom within the confines of their pharmacies so their roles as primary health care advisers could be enhanced.

"At present the pharmacist is bound to the dispensary counter by invisible chains, partly of legal enactments, partly of his own inclination and training. His potential as a primary health care adviser would be greatly enhanced if he were free to leave the pouring, counting and measuring to an assistant with strictly circumscribed functions.

"There is nothing particularly radical about this idea. It has been done for years in Europe. The pharmacy board has been studying the question of technical assistance in the dispensary for some years and has almost reached the point where it can decide on some changes," Mr Clark said.

Mr Clark said statutory provision should be made to allow hospital pharmacists to communicate with patients and give them the benefit of their extensive knowledge of medicines.

Mr Ernstzen said that while medical aid schemes were locked into the present system of benefits, there was little the movement could do about rises in subscriptions. But medical aid schemes should pay more attention to achieving better financial results without unnecessarily resorting to tariff increases, he said.

Mr Ernstzen said the method of determining tariffs by appointing committees to make recommendations to the South African Medical and Dental Council (SAMDC) was unsatisfactory. This was because the Minister of Health had the "unenviable responsibility" of setting tariffs when the RAMS objected to the tariff committees' recommendations.

The method of determining tariffs for private hospitals also had disadvantages.

Mr Ernstzen proposed that the suppliers of medical services be allowed to determine their own tariffs, subject only to their ethical rules.

"The medical schemes, with the possible final approval of the Central Council for Medical Schemes, should also be allowed to determine tariffs on which benefits may be based. These tariffs could be reviewed on an annual or some other suitable time basis," Mr Ernstzen said.

Year	Membership				
	African	Asian	Coloured	White	Total
1970				..	..
1971				..	..
1972				..	..
1973				55	55 *
1974				48	48 *
1975				43	43 *
1976				40	40 *
1977				38	38 *
1978				37	37 ≠
1979				32	32 ≠
1980				31	31 ≠

C16 Hansard 4.61.1203 – 1204

Occupational therapists 415/83

771. Dr. M. S. BARNARD asked the Minister of Defence:

(1) How many posts for occupational therapists in his Department (a) were vacant and (b) had been filled as at 1 November 1979, 1980, 1981, and 1982, respectively;

(2) whether any such posts lapsed in any of these years; if so, how many in each such year?

The MINISTER OF DEFENCE:

(1)

	(a)	(b)
1 November 1979	0	4
1 November 1980	0	5
1 November 1981	3	6
1 November 1982	0	9

Note: Although there were only 9

approved posts on 1 November 1982 there were 14 occupational therapists in service. The 5 employed over strength are held against vacant posts in other disciplines until the necessary adjustments have been made to the establishment table.

(2) No.

For written reply:

(96 ~~267~~) Hansard Q. 601.1230 - 1231

Occupational therapists 6/5/83

761 Dr. M. S. BARNARD asked the Minister of Health and Welfare:

Whether any steps have been taken by his Department to train a sufficient number of occupational therapists to meet the requirements of the health service of the Republic; if not, why not; if so, what steps?

The MINISTER OF HEALTH AND WELFARE:

The health service of the Republic includes the services rendered by the Department, provincial administrations, local authorities, private hospitals, private practitioners and organizations.

The Department's responsibility is limited to the services rendered by the Department only.

In order to satisfy the requirements of the Department, arrangements have been made with the Commission for Administration to make bursaries available to students.

ARGUS 7/10/83

NATIONAL

Crash project to train black doctors

Argus Correspondent

PRETORIA. — The Medical University of Southern Africa (Medunsa) will train about 200 doctors, 50 dentists, 50 veterinarians and 300 paramedical specialists a year in the next five years.

A spokesman for the university said that millions of rands have been earmarked for projects aimed at expanding and building facilities to cater for the growth of the institution. The university would accommodate about 4 500 students a year, he said.

Phased out

"In a country where there is only one black doctor for every 90 000 black people, and black dentists and veterinarians are almost non-existent, we can be proud of the work Medunsa is doing," he said.

The university, comprising of faculties of medicine, dentistry and veterinary sciences, was established on August 21 1976 to train black doctors after black students were phased out at the University of Natal's Wentworth Medical School in Durban.

The university is located about 30 km northwest of Pretoria in Garankuwa on the border of Bophuthatswana. It adjoins the Garankuwa Hospital which treats more than 20 000 outpatients and 3 000 admissions a month.

Graduation

The first batch of medical graduates was capped last November. The second graduation ceremony will be held on November 26.

Mr Louis Vogel, chief public relations officer at Medunsa, said a number of major companies and distinguished personalities have been invited to tour the campus on October 26.

The guests will visit the lecture rooms, students' residences, laboratories and other facilities on the campus.

Chemists accused of smears

THE war between pharmacists and dispensing doctors took a dramatic turn this week when a young doctor alleged he was being victimised by pharmacists because he dispenses medicines more cheaply than they do.

'Doctors are depriving pharmacists of income'

'Why should patients be forced to pay more?'

By ANGELA GILCHRIST

Pharmacy Board, claiming the doctor deprives them of business and obtains concessions from manufacturers that they can't have.

The doctor, who may not be named for professional reasons, alleges in a letter to the National General Practitioners' Group that:

- Drug company representatives who deal with his practice have been threatened with boycotts by pharmacists. Pharmacists have sometimes thrown these representatives out of their shops.
- Pharmacists repeatedly report him to the drug inspector and Receiver of Revenue, to no avail.
- A smear campaign has been launched against his character and that of his family.
- Many of his patients have been harassed and threatened. Patients are told by pharmacists not to consult him because he dispenses out-of-date and inferior medicines.
- Some patients have been told by pharmacists they will be jailed if they receive medicines from him, because according to them, he is operating illegally.

Abuses

The doctor further alleges he knows of many instances of abuses by pharmacists, including the substitution of drugs on which the pharmacist has obtained a good price.

"I have been approached on two occasions by pharmacists to enter into an agreement whereby I will get a cut of his profit if I write scripts according to his stocks.

"We expected some disapproval from local pharmacists when we started dispensing, but were totally unprepared for the 'total onslaught' we received," says the doctor in his letter to Dr George Davie, immediate past president and a member of the executive of the National General Practitioners' Group.

"This has really brought to our attention that medicine is big business to pharmacists," the letter goes on.

The pharmacists involved — who may not be named in terms of an SA Medical and Dental Council ruling — recently sent a petition to the Pharmacy Board which supported its suggestion that doctors should not dispense their own medicines if there is a pharmacy within a 5km radius of a doctor's practice.

The SA Medical and Dental Council turned down the proposal at its recent congress in Parow.

Said one pharmacist this week: "I have heard that some of the fellows are getting aggressive, because this particular doctor's practice used to give each pharmacist in this area between five and 10 prescriptions a day.

"We are getting upset at this business being taken away from us. What is the point of us having a degree in pharmacology if doctors are going to do their own dispensing?

"It's unfair on us because doctors are able to obtain drugs from manufacturers at better prices than those paid by pharmacists."

Said another pharmacist in the area: "If I don't charge dispensing fees, I'll be struck off the register. Why should doctors be allowed to get away with not charging them? Obviously they can give medicines to patients more cheaply."

In his letter to the National General Practitioners' Group, the doctor states that he charges less than the recommended price on all drugs. "There are no extra costs such as dispensing fees, broken batch, adding water, cost of container, photocopy charges or after-hours fees charged by pharmacists."

The doctor went on to say that according to Consolidated Employers Medical Aid Scheme, the national average cost of a script for December, 1982 was R20,80 based on the average script of two lines per script.

"Our average for that month was R15,60 based on a script of less than two lines. This represents a 29% saving on scripts."

He also says in his letter that he does not obtain his drugs any more cheaply than pharmacists.

Discount

The Pharmacy Board controls the discount allowed on drugs and does not allow large discounts on scheduled lines requiring a script, but a 25% discount is legally allowed on non-prescription drugs. In addition, he says, many pharmacists are shareholders in the drug wholesalers and obtain a dividend on sales.

"Pharmacists are merely trying to protect themselves from cheaper competition. There is no reason why the patient should pay higher prices, sometimes causing great hardship, to protect the pharmacist," the doctor said.

Dr Davie said he had received the letter "which is being considered for publication in the Medical News Tribune. A comment on it will be written then. I wouldn't like to say anything at this stage."

A spokesman for the Southern Transvaal branch of the SA Retail Chemists and Druggists Association said he doubted whether the doctor could substantiate his allegations.

Law would curb doctors' dispensing

30/11/83 Mercury

Mercury Reporter

DRAFT legislation to tighten controls on the dispensing of scheduled drugs by medical doctors would probably become law next year, the secretary of the Medical and Dental Council, Mr N M Prinsloo, said yesterday.

Reacting to allegations by the Pharmaceutical Society that more than 1 000 doctors nationwide were 'trading' by dispensing drugs, Mr Prinsloo said there was confusion over the term 'trading'.

'Every doctor is allowed to dispense drugs by law, but trading involves the buying and selling of drugs other than to patients. If a doctor buys medicine in vast quantities and dispenses this to his patients he is not breaking the law.'

The secretary of the Medical Association of South Africa, Dr Marais Viljoen, agreed that the proposed legislation would go a long way towards solving the problem.

According to the draft legislation submitted to the Minister of Health, Dr Nak van der Merwe, the council will have the power to investigate the books of any doctor who is the subject of a complaint, requiring him to furnish details of his drug transactions including prices paid for drugs and prices charged.

'We accept that there are some doctors who don't play the game and overstep the mark in selling drugs. We are sympathetic to the pharmacists, but I don't believe the matter should have been debated through the media.

Adamant

'The association agrees that specific complaints should be investigated, but the implication that 1 209 doctors are acting illegally or unethically by selling drugs is a sweeping statement,' said Dr Viljoen.

But the Pharmaceutical Society is adamant that the problem is rife and that many doctors are stepping over the finely-drawn ethical line.

'According to our investigations, doctors are prescribing 15 percent of drugs dispensed. That amounts to between R30 million and R35 million a year.

'We have the names of 1 209 doctors who we believe are dispensing. We do not deny that some of them might be supplying socially sub-economic patients. But there are many cases where medical aid societies are being charged for these drugs.

'If a doctor is seeing 40 to 50 patients a day he cannot fulfil the function of a dispenser as well as a medical doctor.'

Health Minister calls for cheaper medicines

NATIONAL/INTERNATIONAL

Political Correspondent

A PLEA for cheaper medicine has been made by the Minister of Health, Dr Nak van der Merwe.

Addressing the South African Pharmacy Board in Cape Town yesterday, he said this move should be made before a vast section of the public was unable to afford medicine and before the Government was forced to consider a State-controlled health system.

Dr van der Merwe said no disease situation should be exploited by over-prescribing.

There had been cases where so much medicine had been prescribed to a patient that, had he drunk it, he would have died.

Proposals

The Minister had several proposals to lower the price of medicine. These included:

- Granting permission to pharmacists to prescribe cheaper generic equivalents of medicine prescribed by doctors.
- Allowing pharmacists to sell medicine other than Schedule 1 and 2 medicines without a prescription.

He was not in favour of a State-controlled medical service, but if the medical services were placed beyond the public's capacity to pay the State would be forced in such a direction.

Big international pharmaceutical firms played a big role in determining prices. This had to be investigated.

In Australia, the names of all medicines and their generic equivalents were published. This was not done in South Africa.

There was an example of one pill that was supplied to pharmacists by the retail trade at R6,70 while the same pill, under another name, sold for 69c.

Dr van der Merwe said he accepted that everyone should make a viable profit, but illness should not be exploited with expensive medicine.

The Pharmacutical Society of South Africa told The Argus Tygerberg Bureau that it was highly concerned about rising prices of medicines.

It was trying to devise a new distribution system for the country.

The executive director, Mr P R van der Merwe, speaking from Johannesburg, said the society was trying to curb price rises through top-level discussions with the manufacturing industry.

The society would welcome pharmacies enjoying the right to supply cheaper generic products, but this would be difficult to implement.

"Often the expensive product is guaranteed and has been proven," he said. "If the generic product is supplied in this way, the manufacturer of the guaranteed product may decide it's not worth staying in the country."

A problem was that pharmaceutical companies supplied medicines cheaper to dispensing doctors, while they sometimes quoted a 10th of the price to the Government, the country's biggest buyer of medicines.

This meant that the companies had to make up their profits when selling to pharmacies.

"We must now come to consensus on how doctors can come into this field without any specific training to handle drugs," Mr van der Merwe said.

Wrong solution

The secretary-general of the Medical Association of South Africa, Dr C E M Viljoen, said from Pretoria: "Masa is aware that the cost of medicine is extremely high and that it is continuing to rise. The association is concerned that many of the public must have difficulty in meeting these costs."

However, Masa believed that nationalisation of medical services was not the correct solution, as had been proven in several countries.

A spokesman for a medical aid society, Mr Jonathan Bloomberg, said there was no reason for doctors to prescribe medicines in a city with many pharmacies — "there is just a tremendous over-dispensing of drugs by some doctors."

High price of medicine a bitter pill for the sick

By Stephen McQuillan

Fierce competition between drug manufacturers chasing lucrative Government contracts is forcing pharmacists to sell medicines at "exorbitantly high prices".

And that is prompting sick people to skimp on medication, the 24 Hours team was told.

Medicines are sold to chemists at prices up to 800 percent higher than drugs sold to Government bodies, they claim.

The president of the South African Retail Chemists' and Druggists' Association, Mr Jack Bloom, said: "The high price of



medicines is leading to a situation where people are skimping on drugs."

The difference in price is worse in rand terms. The Government probably buys between 80 and 85 percent of the total rand value while the private sector purchases 15 to 20 percent.

Pharmacists say manufacturers are selling drugs at "ridiculously low" prices in Government tenders in order to make their products known.

Manufacturers then had to make up their profits on drugs sold to the private sector.

Chemists make 50 percent profit on drugs dispensed and charge a dispensing fee.

The executive director of the Pharmaceutical and Chemical Manufacturers' Association, Mr John Toerien, said: "I don't accept that the price of medicine sold to the private sector is too high.

"It has been shown that our price structures in South Africa are not out of line with other, similarly developed, countries."

● See Page 7, World section.

Pharmacists protest high drug prices

By Stephen McQuillan

Stiff competition between drug manufacturers for lucrative Government contracts is sustaining a long-running row in the industry.

Pharmacists say they are forced to sell medicines at "exorbitantly high prices" because they have to buy them at an artificially high price — paying up to eight times more than the Government, the 24 Hours team was told.

They say manufacturers are making their profits mainly from the pharmacist.

But executive director of the Pharmaceutical and Chemical Manufacturers' Association, Mr John Toerien, says the Government is in a position to buy drugs at a lower price than the private sector.

"Look at the volume on a production run. Instead of individual packs we can produce cost-effective packages of larger quantities.

"Any other product supplied in large quantities to the Government is at a lower price than that for the private sector."

The Government was making the situation worse by sheltering so many of its own people with cheap health care.

"They should not be free riders on the health service if they are on average salaries," said Mr Toerien. "Government consumption would drop considerably were it not for this, leaving a greater market in the private sector."

Until recently the industry had faced price control, introduced in 1973, which allowed 15 percent profit on capital.

The president of the South African Retail Chemists' and Druggists' Association, Mr Jack Bloom, said a big problem was that many firms supplied drugs to medical aid societies of a Government department at 15 to 20 percent of a pharmacist's cost. Nursing homes and some doctors were also supplied at "who knows what price".

Executive director of the Pharmaceutical Society of South Africa, Mr Pieter van der Merwe, said there was an imbalance in the drugs price structure. "Most of the costs are being carried by the man in the street."

Research two years ago had shown the Government bought 67 percent of the drug volume and paid 35 percent of total manufacturing costs. The private sector bought 33 percent of the volume and paid 65 percent of the cost. "The gap is probably bigger now," said Mr van der Merwe.

Pharmacists also complain that the price of a drug never drops when, logically, it should.

Manufacturers spend "a fortune" developing new products and licence a new drug in order to cover comfortably their research costs in ensuing years.

But pharmacists argue that when the licence expires and the drug becomes a generic — available for copy by other manufacturers — the price should drop. They say it does not.

In practice, the reduction is only about 10 percent.

On Government contracts, pharmacists say it is vitally important for the manufacturer to win them in order to get a product known.

"Pharmacists are prohibited from prescribing the same drug under a different brand name. It has to be the brand chosen by the doctor. Hence the importance of winning Government contracts and getting the brand name known throughout the industry."

● The Government is still awaiting the report of the Brown Commission, launched in 1979.

The commission, the fourth to examine the pharmaceutical industry, is looking at profits and costs in the manufacturing of drugs and their retail, along with medical services and supplies.

Call for standardised medicine prices

(96) Star 4/7/84

Govt urged to end GST on medicine

The Government has been urged by the Pharmaceutical Society of South Africa (PSSA) to exempt prescribed medicines from general sales tax (GST).

Speaking at the annual general meeting of the South African Pharmaceutical Students' Federation (SAPSF) in Johannesburg yesterday, the director of the PSSA, Mr Boet van der Merwe, said that since 1978 his society had twice asked the Government to remove GST from prescribed medicines.

"On both of these occasions the Government said they could not consider exempting GST on medicines," he said.

Mr van der Merwe added that when increased sales tax was announced, the society had again appealed to the Minister of Health to scrap GST on medicines.

"The Minister of Health referred us to the Minister of Finance who said he could not commit himself to exempting scheduled drugs now, but would consider doing so in the future."

A pharmacy student at the University of the Witwatersrand, Miss Mandy Peters, said it was unfair that the public should pay GST on a necessity such as medicine.

By Susan Pleming

The pharmaceutical industry has been urged to standardise medicine prices.

The president of the South African Association of Retail Pharmacists, Mr Jack Bloom, said the industry had been giving State and provincial bodies "ridiculously" low prices for too long.

He was addressing pharmacy students at the annual meeting of the South African Pharmaceutical Students' Federation in Johannesburg yesterday.

Mr Bloom said the introduction of generic equivalents would not have been considered if the pharmaceutical industry had thought of standardising medicine prices.

Legislation could be introduced allowing pharmacists to substitute medicines with generic equivalents.

Mr Bloom said although generic equivalents would have some merit in the market place, he forecast problems.

"Who will take responsibility for the drug? Generics must operate in a controlled environment."

He added that doctors would have the right to specify on the prescription if they did not want a prescribed branded product substituted with a generic equivalent.

Mr Bloom noted that many pharmaceutical companies had produced generic equivalents for years.

"Many companies produce a brand name with an equal generic. Some companies even turn out generic equivalents under different names for other companies."

Several students at the conference were concerned that the introduction of generics would force multinational pharmaceutical companies to leave South Africa.

Mr Bloom disagreed saying: "The multinational companies will not pull out of South Africa — they are making a lot of money here," he said.

Call for probe into medicine costs

(96) 2nd 1. Dispatch 27/8/84

By CAROL VAN DER MERWE

pharmacist to substitute for example a cheaper product. Dr Retief believes doctors have simply not bothered to add those vital words which could have made quite a difference to the patient's pocket.

The proposed new system would mean that the pharmacist could automatically substitute a prescription with a cheaper equivalent, unless the doctor specified that the patient had to be given nothing but the prescribed brand, Dr Retief said, adding that the decision would not mean a change of law, but merely involve an internal decision by the Pharmacy Board.

Before implementing generic prescriptions there were, however, scientific and legal problems which had to be solved, the chairman of the Medicines Control Board, Prof Peter Folb, said.

"There is no list of equivalent drugs in South Africa, which is essential when generic substitution is allowed," he said.

He explained that the control board's function had been to test drugs for effectiveness and quality, and not to compare them.

The legal question was who would be liable if a patient developed serious side-effects from a prescription that had been substituted by a pharmacist, Prof Folb said.

The doctor could not be held responsible as the medicine he had prescribed, was not taken. The pharmacist, on the other hand, would be legally entitled to substitute the prescription with an "equivalent".

The Pharmaceutical and Chemical Manufacturers' Association (PCMA), questioned in its journal, Pharma News, whether generic substitution would really solve the root problems of high medicine costs and pointed out disadvantages it would have on the industry.

It said that governments in many parts of the world had found generic prescribing had not resulted in substantial uniform savings in the long term, and recently medical authorities in the United Kingdom had decided against this principle because the projected cost saving of only two per cent to the National Health Service did not outweigh the disadvantages and risks.

The PCMA said in parts of the United States of America and Canada legal substitution had produced short-term savings which were not maintained in the long term.

"We in the pharmaceutical industry are firmly of the opinion that the very doubtful cost benefit of substitution can never justify the very serious medical risk to the patient or even the legal risks to the doctor, the pharmacist and the industry," Pharma said.

Opinion on whether generic "copies" were inferior to originals, was not clear.

While there was no questioning of the Medical Control Board's discretion when they passed a medicine for effectiveness and quality, many doctors and pharmacists still had more faith in certain brands, pharmacists said.

An East London pharmacist said, although equivalent medicines should have the same effect in theory, this did not always happen in practice.

He cited an example of a tablet which contained all the elements of the original pill. "Because it is too hard, however, it does not have its full effect. It is not totally absorbed in the tummy and passes into the large intestine which is alkaline and where it cannot be absorbed," he explained.

The executive director of the Pharmaceutical Society, Mr Boet van der Merwe, did not share the same apprehension about generic substitution, saying that there could not be a problem when a medicine had been passed by the Medicine Control Board.

The Pharmaceutical Society was in favour of generic substitution, not only for the cost savings, but also because it would give the pharmacist the discretionary status which was due to him, Mr Van der Merwe said.

Speaking for the Medical Association of South Africa (Masa), the vice-president, Prof Nicolaas Louw, supported generic substitution on two conditions:

- The generic preparation must not be more expensive than the original prescription.
- The doctor must have the final say, retaining the right to prohibit generic substitution.

Prof Louw was, however, wary over the pharmacist's discretion to substitute a prescription. He agreed that it might be frustrating to complete a four-year-course, only to count pills, but he said the problem could only be solved by a change in their curriculum, which did not include diagnostic training at present.

"The cheaper pill may have side-effects which could worsen the patient's agony. The pharmacist does not know the history — allergies and personal needs — of the patient who was examined and questioned by the doctor.

"To treat a patient responsibly, one must be able to diagnose and unfortunately the pharmacist is not trained at this stage to do so," Prof Louw said.

On the question of why doctors have not bothered to ensure that their patients get the cheapest available medicine, Dr Retief said doctors did not always know the price differences between possible alternatives and they merely prescribed the medicine they had known to be effective over many years.

The drug the doctor knew best, was usually the most expensive. It was the one produced by the original manufacturer who invented it, had the patent right on it for 21 years, but which was now being copied by other firms who manufactured and sold it generically. These firms did not have the expense of research and could afford to reproduce and sell it at a cheaper price, an East London pharmacist said.

The PCMA sympathised with firms who invested large amounts of money in continuous research, brought out a product of unquestionable quality and who then, after the expiry of their patent of 21 years, had to face up to a price competition with firms who could then copy their product.

Dr Retief said 21 years was more than enough for them to recover their costs.

The PCMA, however, believed that generic prescription would discourage companies to sponsor research and that it could ultimately even lead to disinvestment.

Dr Gilder agreed, saying "the more responsible pharmaceutical companies use part of their profits for two purposes — research and support of medical education. If their profits are cut, both these channels of support will dry up."

He added that the government would then be the only body who could take the task of supplying funds. This was what happened in countries such as those in Eastern Europe and the result was: no major pharmacological advance in the Soviet Union for the past 50 years!

"When a new drug appears, they buy supplies from the West until they can copy it, then they make it themselves. Suppose everyone adopted this attitude, research would then stop world-wide.

"There is, in fact, evidence that the bases for certain generic products marketed in South Africa actually come from Eastern Europe, a curious situation indeed," Dr Gilder said.

He warned against the effects of disinvestment which was liable to occur. "Don't think that firms wouldn't pull out; Ciba-Geigy recently closed down its manufacturing plant in Australia because of increased pricing constraints.

"A week before, Boehringer Ingelheim cancelled a 350 000 dollar clinical research project into heart disease at St Vincent's Hospital, Sydney, because of a Federal Government decision to take one of its products off the pharmaceutical benefits list."

Dr Gilder added that the effect on medical education of a withdrawal of the multinationals from South Africa would be highly significant.

"Congresses would become prohibitively expensive. At least three university departments of pharmacology would suffer considerably. Most medical publications would either shut down or suffer a drastic change," he warned.

He then called on pharmaceutical manufacturers, wholesalers, pharmacists and doctors to get together, examine the problem objectively and to make proposals for cutting costs without hastily resorting to a simplistic solution that might just make matters worse all round.

EAST LONDON — Private patients are paying up to 1 000 per cent more for their medicines than provincial hospitals, the Director General of Health, Dr Francois Retief, has confirmed.

He said this had nothing to do with the state. "Prices are determined by the industry and it is an internal problem which will have to be solved by the pharmacists and manufacturers," he added.

In one example, provided by an East London pharmacist, chemists paid R16 for a box of 30 pills which cost hospitals only 84 cents.

The pharmacist said this meant in effect that the public was subsidising hospital supplies to the underprivileged.

Writing in a guest editorial published in the Medical Chronicle, the editor of the South African Medical Journal, Dr S. S. B. Gilder, called on pharmaceutical manufacturers, wholesalers, pharmacists and doctors to get together and examine the question of medicine costs as a whole.

"If there are abuses they must be honestly acknowledged and dealt with.

"The problem must be examined objectively and proposals must be made for cutting costs without hastily resorting to a simplistic solution that might just make matters worse all round," Dr Gilder said.

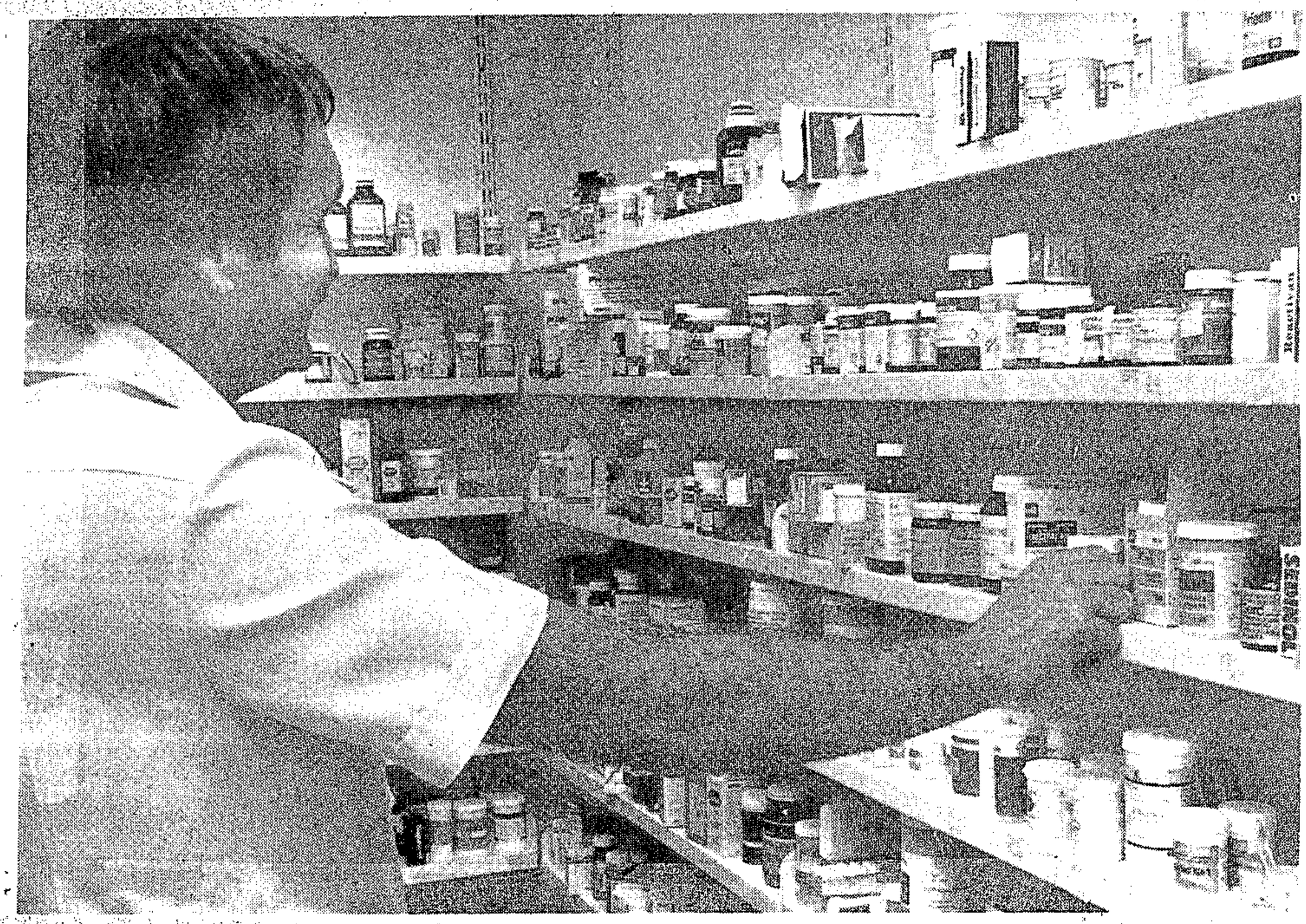
The "simplistic" solution he was referring to, was the state's attempt to reduce medicine costs by promoting generic substitution of expensive prescriptions.

Drugs products have three names: the trademark owned by a company, the official or "generic" name assigned by government appointed committees, and the scientific name derived from the drug's chemical constituents.

Doctors did not always prescribe the cheapest available medicine for a particular ailment. The Minister of Health, Dr Nak van der Merwe, has suggested that pharmacists should be allowed to substitute a generic product for a brand-name product on a doctor's prescription — provided neither the doctor nor the patient objected.

This would throw the market open. Medicines with the same biochemical action would compete on a price basis and not on bias or personal confidence doctors hold for a particular brand, Dr Retief said.

Generic prescription was nothing new, except that doctors have always had to add "or equivalent" to entitle the



Inside a pharmacist's dispensary . . . the cost of medicines has become a problem.

HEALTH & DISEASE — PHARMACISTS

1985 — 1986

Medicine prices bode ill

By Olga Horowitz

Prohibitive prices of medicines are forcing many chronically ill people to cut down on the dosages prescribed for them by doctors.

In many cases the costs exceed medical aid society allowances, leaving the sick with alarming bills.

"It is clear that the worry of illness is compounded today by the staggering prices of medicines," said a retail pharmacist.

Are pharmacists making inordinate profits? They protest that they themselves can scarcely keep up with the cost of medicines, and stock the smallest quantities.

Mr Jack Blum, the national president of the SA Association of Retail Pharmacists, said the claim that the price of medicines in pharmacies was exorbitant was valid when compared with prices charged by manufacturers to other private sector purchasers.

CLINICS

Among them were dispensing doctors, Transmed (the South African Transport Services medical society), private nursing homes, mines' benefit societies, and industrial clinics, he said.

For certain medicines, retail pharmacists are sometimes charged more than four times the price paid by other private sector purchasers.

In other words, ordinary customers of family pharmacies are subsidising the huge volume of medicines bought on tender by privileged buyers.

"This situation certainly calls for an equalisation of prices to all purchasers," said Mr Blum.

"This would bring about a dramatic reduction in the cost of medicines sold by retail pharmacists."

See Page 6.

Pharmacists defend soaring medicine costs

By Olga Horowitz

At a time when the sick feel they are paying exorbitant prices for medicines, retail pharmacists defend their rates with chapter and verse from their price lists.

A retail pharmacist showed me some cost prices, excluding GST and a dispensing fee: 49,77c for a single capsule to stimulate the heart (up to six a day are prescribed); 45,3c for a certain diuretic; 46,92c for one anti-diabetic tablet (one or two a day;) and more than R24 for a 10 ml vial of insulin — three to four times more than insulin cost four years ago.

A frequently prescribed tablet to control high blood pressure and irregular heartbeat costs 91,6c — one a day — and a broncho-dilator tablet 66,68c for two a day.

One pharmacist threw open at random his book of prescriptions.

A woman had been prescribed a month's supply of medicine for a chronic respiratory problem complicated by an infection. The bill was R137,25 excluding tax. The cost to the pharmacist of all the items was R84,75. The difference of R52,50 comprised his gross profit margin of R42,10 and a professional fee of R10,40 for dispensing seven items including the cost of containers and 15c for a copy of the prescription for the medical aid claim.

The gross profit, he said, had to cover rent, salaries, delivery costs, electricity, insurance, stationery and telephone.

Today, being a member of a medical benefit society does not give immunity from the shock of soaring medicine costs.

People on vital medication for respiratory problems, blood pressure, heart conditions, angina, arthritic disorders and diabetes find their medical aid allowances increasingly inadequate.

Many, such as pensioners and those on fixed incomes, who need life support medication and cannot afford to join a medical aid society, have three alternatives — to cut down on their medication (which they cannot do on a lifeline medicine such as insulin); find the energy and bus fares to get supplies at Provincial hospitals; or ask the pharmacists for a cheaper, generic equivalent of the prescribed medicine. These are limited, but do exist.

"Doctors, initiators of the treatment, are mostly sufficiently responsible, especially where there might be a financial problem, to prescribe only what is necessary for the patient," said Mr Jack Blum, president of the SA Association of Retail pharmacies.

"Pharmacists in their turn are worried when clients cut down on prescribed doses, lest the sick jeopardise their already frail health."

Drugs can cost 400 pc more on script

By Olga Horowitz Star 8/2/85

High bills for medicines erode annual medical society allowances causing extra grief and financial hardship for the chronically sick, a Johannesburg pharmacist says.

He said: "A factor you did not include in your survey on costs in *The Star* this week was the scheduling of drugs between medicines which may be bought over the counter and those which can be sold only on doctor's prescription.

"Drugs on Schedules 1 and 2 may be sold freely over the counter.

"Drugs on Schedules 3 to 7, including Schedule 4 birth control pills and a popular Schedule 5 painkiller, cannot be sold without a doctor's prescription.

"The painkiller I have in mind costs about R4 50 for 20.

"Every time you want a supply, however small, you have to go to a doctor and possibly pay him R10 for the visit.

"Then there is a mandatory dispensing fee of R1,35 and 10c for a copy of the prescription for the medical aid claim.

"All this brings the cost of 20 tablets to the region of R16.

"In effect the patient pays 400 percent more for the product than he would do if the pharmacist were given discretion to hand it out.

"It would seem that the laws concerning medicines are tailored for the doctor and not for the public or the pharmacist," he said

The pharmacist claimed that in Spain, Hong Kong, Greece and a large part of Europe many drugs scheduled in South Africa for sale on prescription were freely available to the public.

Over now to a doctor:

"The most important argument against self-administration of painkillers is that this has caused untold harm by damage to kidneys. This is why the Medicine Control Council is so strict in scheduling drugs and their usage."

The doctor added that not all doctors charged a fee for a request for a presciption.

He claimed it was the pharmacists themselves who were mainly responsible for the high cost of medicines.

"The manufacturers have a mark-up of 20 percent," he went on.

"By the time the product reaches the patient the cost of the product has increased by more than 100 percent.

"The pharmacist's mark-up is 50 percent plus a dispensing fee of around R1,50 for every item.

"In my view this mark-up is not justifiable.

"Is there any justification for charging R1,50 for taking a bottle off a shelf and slapping a label on it?"

WEEKEND POST, FEBRUARY 9, 1985

96

PE medical aid schemes take lead with generic drugs

By WENDY FRAENKEL

PORT ELIZABETH medical aid schemes are to take the lead by being the first in the country to include generic substitution of drugs into their programmes.

A generic drug is a prescription medication that has the same form and active ingredient, but is cheaper than its brand name equivalent and is produced by more than one manufacturer.

The inclusion of generic drugs into these schemes comes into effect at the beginning of next month and could save the companies millions of rands — the medicine bill of these schemes is between 20% and 30% of their entire annual bill.

However many multinational pharmaceutical companies are unhappy about the new legislation and there has been talk of possible disinvestment if the new ruling affects them adversely.

After the passing of legislation in November last year which now allows pharmacists to substitute prescribed drugs with generics and oblige doctors to prescribe only non-brand drugs for complaints such as depression, colds, coughs, indigestion, constipation and insomnia, it was up to medical aid schemes nationally to include them.

The head of the Department of Pharmacology at the Port Elizabeth Technikon, Mr Ian Wiseman, said that under the new legislation pharmacists would be able to substitute generic equivalents for brand names unless doctors stated in their own handwriting "no alternative".

If "no alternative" follows the brand name on the script the pharmacist is then compelled to supply the product prescribed.

"Generics are not new to South Africa as the State, Province and hospitals have been making use of generics for years, anyway," he said.

"Most of the reported differences between the generic and a brand name are minor and not significant clinically."

Mr Wiseman stressed that generic substitution would not only create an awareness of medicine costs among the patient, but among the medical profession and pharmacists.

A spokesman for the Pharmaceutical Society of South Africa said this week that it was not surprising that Port Elizabeth was the pilot area for the introduction of generics into medical aid programmes.

He said Port Elizabeth was the most "go-ahead" in the country as far as medical aids were concerned.

One of the medical aid organisations due to include substitution or "Maximum Allowable Cost" programmes into their schemes claims that not only will it save themselves millions, but that this inclusion could stabilise monthly contributions and withhold unnecessary cost increases.

Mr John Fryer, a spokesman for this medical aid organisation, said: "The programme does not affect all prescription drugs. There are approximately 43 generic equivalents covered by the programme, including drugs like ampicillin, tetracycline and penicillin.

"This list was passed by the Pharmaceutical Society of South Africa and is subject to adjustment as new drugs are added and others deleted. This list has been made available to all doctors and pharmacists in the Port Elizabeth-Uitenhage-East London area.

"If a more expensive brand name prescription drug is prescribed, the member is obliged to pay the difference. The patient is naturally at liberty to ask the doctor to prescribe the cheaper drug.

"Products for which there are no suitable generic products available will still be covered in full by the scheme."

Mr Fryer said that it was important that the multinational pharmaceutical companies which played a vital role in research and development were not sacrificed for what might appear to be "short term gains" on the part of generic manufacturers.

"Serious thought should also be given to the formation of a research foundation funded by generic manufacturers who are not actively engaged in innovative research and development," he said.

Many multinational companies are up in arms about the new legislation.

A spokesman for one stressed that if the new ruling affected them seriously they might even reconsider investment in South Africa.

He pointed out that with the introduction of generics into Canada and Australia many multinational companies had withdrawn their investments.

A spokesman for a Port Elizabeth based brand-name manufacturing company said the use of generics would be extremely "detrimental".

"Although many claim that we will be able to recoup our losses during our 20-year patent hold on the drugs we bring out, they forget that before the drug can become available it first has to be registered and extensively tested," he said.

"This could take anything up to six to 12 years before they are marketable, which does not give us much time to make up the money we have ploughed into research.

"And when the patent runs out, any company can manufacture our drug and can do so more cheaply."

A Port Elizabeth doctor felt that generics would work in the short term, but not in the long term.

"Initially there will be a cost saving, but it won't be long and prices of these generics will be pushed up," he said.

"As far as I am concerned the forced use of substitutes is against capitalism and free enterprise. It might work in a third world country but not here."

Pharmacists declare war

w/E Argus 20/6/85

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Weekend Argus Reporter

PHARMACISTS have declared war on doctors dispensing drugs — forcing them out of business — and the South African Medical and Dental Council is to meet them in an attempt to defuse the explosive situation.

Many chemists have been forced to close their doors by doctors who have built up their own dispensaries, and others have experienced drops of up to 60 percent in sales.

"It is no secret that pharmacists are facing a serious problem, perhaps the most serious in their history, because of the escalation in doctors dispensing medicines for profit," the president of the Pharmaceutical Board, Mr J D van Zyl, said.

3 300 doctors

More than 3 300 doctors have applied for registration as dispensing doctors since the amendment to the Medical Act in December last year.

"There are only 2 500 retail pharmacies in the country, which speaks for itself," said Mr van Zyl.

"Doctors are able to get their medicines at much lower rates than we can and can sell them at greater profit," he said.

"They are killing the pharmacy trade and the patient may not always get the best drug available but rather the one on the doctor's shelf which he can sell for the highest profit.

"And he may not always be told how to use it properly."

More than 2 500 pharmacy students are presently in training in 11 institutions around the country, which is costing taxpayers R2-million a year, according to Mr Louis Rontgen, a member of the national executive of the Pharmaceutical Society.

Mr Mike Leicester-Olivier, president of the South African Association of Retail Pharmacists, said: "I would hesitate to recommend a career in pharmacy to anyone unless the situation improves."

Mr Olivier recently led a delegation to the Minister of Health and Welfare, Dr Lapa Munnik, who expressed concern at the developments in the pharmacy trade.

Competition

"We are highly trained professionals who have been reduced to selling cold and 'flu medicines and toiletries," said Mr Olivier.

"We have no objection to doctors dispensing to emergency patients or indigent ones, but they are trading in direct economic competition with pharmacists."

A dissatisfied chemist from Velddrif said he had not filled one prescription this month.

Situation

The registrar of the SAMDC, Mr Nico Prinsloo, said the council was keeping an eye on the situation.

He said that questionnaires on the nature and volume of dispensing done by doctors were being processed to evaluate the extent of the problem.

"We are not here to protect the doctor so much as to see that the patient receives the best treatment."

Doctors forcing chemists to close doors

SA DRUGS FIRMS IN COURT WAR

w/l - Argus 27/4/85

96

By IRVING STEYN
Weekend Argus News Editor

DRUGS manufacturers are to take the Pharmacy Board to court for ruling that pharmacists may substitute cheaper alternatives to medicines prescribed by doctors.

The ruling has brought a major split in the industry's Pharmaceutical and Chemical Manufacturers' Association (PCMA) — one of its largest members is siding with the Pharmacy Board.

The association has voted financial support to a number of members who are to take the board to court over an ethical rule which allows pharmacists to substitute cheaper brands of the same medicines on doctors' prescriptions.

The row, which has been simmering for some time, erupted at a meeting of the association yesterday at which money was voted for the court action.

Copied

This led one of the country's largest pharmaceutical manufacturers, SA Druggists, and its subsidiary, Lennon, the largest manufacturer of generic medicines, to withdraw from the association.

Generic drugs are those on which the original manufacturer's patent has expired and which may therefore be copied and sold under other names by other companies — generally at prices about 25 percent lower.

The deputy managing director of SA Druggists, Mr Tony Karis, said it was "absolutely nonsensical" for the industry to try to prevent what was happening all over the Western world.

Of the 62 members of the PCMA (out of about 80 drug manufacturers), only five major companies, all South African-owned, make generic medicines.

It is estimated that generic medicines account for only 10 percent of the R400-million total wholesale turnover in pharmaceuticals.

Statement

If generally implemented, replacement of other medicines with generics will give the local pharmaceutical industry an opportunity to expand considerably.

The Pharmacy Board's ruling, in November last year, came after a statement by the late Minister of Health, Dr "Nak" van der Merwe, in February last year that the pharmacy profession should help the nation by adopting generic substitution.

Opposition to the step has come primarily from the multinational drug companies, which say lower sales of their brand name drugs will reduce finance available for research.

The Pharmacy Board rule permitting substitution was, the PCMA decided, not necessarily in the public interest nor in the interest of the pharmaceutical industry.

Those in the industry say it is a "non-starter" and the minimal saving does not warrant the risk of cheaper drugs being pushed on the market. And more important, they say, doctors could lose control of their patients' medication.

CAPE Trail 29/4/85 96

Pharmaceutical industry turmoil

By CHRIS ERASMUS
Medical Reporter

SOUTH AFRICA'S pharmaceutical industry is in turmoil over a decision taken at a special meeting of the Pharmaceutical and Chemical Manufacurers' Association (PCMA) on Friday to fight in court against the generic substitution of brand-name drugs.

Friday's meeting ratified an earlier recommendation by the PCMA executive to fight against an amendment to one of the association's ethical rules which allows generic medicines to be used instead of patented medicines, where appropriate.

The amended ethical rule of the SA Pharmacy Board, published on November 16, 1984, permits substitution of one brand of medicine with another, provided it contains the same ingredients and is cheaper.

Withdrawals

According to a statement issued by Mr John Toerien, executive director of PCMA, the amended rule was "not necessarily in the public interest nor in the interest of the pharmaceutical industry in South Africa".

Mr Toerien said individual members of the association would be applying to court to have the rule set aside.

But immediately after the meeting, South African Druggists and its subsidiary Lennon, the country's largest producer of generic medicines, announced that they had voted against the move to fight the generic substitution rule and would withdraw from the association. Two other companies also voted against the PCMA move.

Generic drugs are those on which the original manufacturer's patent has expired, allowing exact copies to be made and and sold under other names by other companies. In South Africa patents on drugs expire after 20 years.

An example of such a drug is aspirin, which has been copied by numerous manufacturers and is sold under many different names.

These drugs, because their marketing has not involved substantial research and development expenses, are generally cheaper, costing about 25 percent less on average.

Most of the opposition to the amended rule has come from the multinational drug companies, which say lower sales of their brand-name drugs will reduce finance available for research. They also suggest that if profitability is reduced, some of them may withdraw from the South African market.

Only five of the PCMA's 62 members make generic medicines and all are South African-owned. They are: Lennon Limited, Adcock Ingram, Propan, Rolab and Noristan. In all there are about 80 drug manufacturers in South Africa.

Generic medicines account for an estimated 10 percent of the country's R400-million total wholesale turnover in pharmaceuticals.

The Pharmacy Board's ruling in November last year followed a statement by the late Minister of Health, Dr "Nak" van der Merwe, in February, 1984, that the pharmaceutical profession should help the nation by adopting generic substitution.

ARGUS 7/5/85 (96)

Trading doctors warned of rules

Argus Correspondent

JOHANNESBURG. — Trading doctors were cautioned today not to make large investments in medicines for dispensing purposes, because their activities will be controlled by new regulations.

This warning was made by Mr Gavin Bamber, president of the Pharmaceutical Society of South Africa (PSSA) in a statement issued at the conference of the society in Pretoria.

He said he strongly supported a joint declaration as a result of a meeting between the South African Medical and Dental Council and the Pharmacy Board. He welcomed the participation of the Medical and Dental Council in formulating new regulations to control the activities of the trading doctor.

Suffering severely

"Our profession is suffering severely as a result of doctors supplying medicines direct to their patients," Mr Bamber said. "If the number of trading doctors increases any further, a number of pharmacies will have to close."

He said one profession should not encroach upon the territory of another and he believed it was wrong that some doctors are usurping the role of pharmacy in society.

Dispensing doctors were able to purchase their medicines direct from many manufacturers at prices much lower than those offered to pharmacists and there had been cases of doctors making exceptional profits.

"I would underline the caution expressed in the joint declaration of the ad hoc committee, which is drawing up guidelines under which doctors can dispense medicines, that doctors should not make large investments in medicines for dispensing purposes.

According to Mr Bamber, there are important benefits for the patient in keeping the dispensing of medicines in the hands of pharmacists.

"A doctor could not hope to stock the range of medicines which are routinely kept by a retail pharmacist.

"If the doctor dispenses the choice is extremely limited, whereas he might write a prescription for one of about 10 000 medicines a pharmacy could supply.

"I am also concerned that in a trading doctor's practice, the dispensing is often done by totally unqualified personnel," said Mr Bamber.

Pharmacists' leader raps manufacturers

Star 8/5/85

By Joe Openshaw, Medical Reporter

Pharmaceutical manufacturers were condemned today by the president of the Pharmacy Board, Dr Kosie van Zyl, for suppling dispensing doctors with medicines at much lower cost than they charge wholesale and retail chemists.

Speaking at the annual general meeting of the Pharmaceutical Society of South Africa, Dr van Zyl said this type of trading could not be strongly enough condemned because it created suspicion, especially against the retail pharmacist.

He wondered whether the practice was not perhaps a calculated attempt to destroy retail pharmacy in favour of dispensing doctors.

PRICE UNIFORMITY

He welcomed the formation of a committee by the executives of the South African Medical and Dental Council and the Pharmacy Board to give urgent attention to the dispensing doctors and to what extent dispensing by them is affecting retail pharmacies.

Dr van Zyl said that the Pharmaceutical and Chemical Manufacturers Association (PCMA) has levied R3 000 from members in order to test in court the validity of the rule relating to generic substitutes.

He announced the formation of a permanent committee consisting of three members each of the Medical Council and the Pharmacy Board which will meet for the first time on May 20 to consider the question of dispensing doctors.

The Medical Council will be represented by Colonel N J Niewoudt, Dr John van der Rit and Dr A le Roux. Board representatives are Mr Graham Clarke, Mr Carl Schnell and Mr André Sonnekus.

Pharmacists: Let us supply the Pill

Star 10/5/85

Pretoria Correspondent

Pharmacists yesterday called for the right to distribute oral birth control without prescription.

A motion to this effect was passed unanimously at the 40th annual general meeting of the Pharmaceutical Society of South Africa.

The Family Planning Association estimated that 200 000 illegal abortions were performed in South Africa each year, said Boland pharmacist Mrs Karen Hirch who proposed the motion.

Furthermore 500 000 unwanted babies were born in South Africa each year and the Government had expressed concern about the population explosion.

The South African population, now 28,4 million, increased annually by 2,3 percent; by the year 2040 it was estimated there would be a population of 180 million.

Water resources could accommodate 80 million.

Said Mrs Hirch: "The pharmacist is well placed to provide an efficient and professional service in the supply of oral contraceptives to the public."

At the moment a patient had to go to a doctor, clinic or family planning centre which was not always convenient.

How to avoid high blood pressure

Medical Reporter

If you want to avoid an untimely death because of high blood pressure, stay slim, don't oversalt food, don't smoke and drink only two sundowners per day.

This is the expert advice of visiting Professor Herbert Langford, of the Mississippi School of Medicine, attending the Southern African Hypertension Congress in Johannesburg.

Although Professor Langford addressed the congress yesterday on the new and exciting therapeutic drugs now available to control and even reverse hypertension, he believes the disease — described by local and visiting experts as the major killer epedemic of the century — can be prevented.

He listed the causes of high blood pressure as genetic, overweight and high intake of salt.

"Smoking is not a cause of high blood pressure, but co-operates in making it a lethal disease.

"A heavy social drinker can also expect his high blood pressure to be aggravated by his lifestyle," the professor said.

He complimented South African restaurants on the high quality of their food, but had strong reservations about the seasoning of the fare he was offered.

"Far too much salt," he said.

"Americans have already become conditioned to using very little salt in food.

"The rule is low on sodium (salt) high on potassium, as found in the wonderful fruit your country is blessed with," said Professor Langford.

Dispensing doctors threaten the livelihood of Reef pharmacists

96 Star 11/5/85

by

Joe Openshaw, Medical Reporter

Organised computer dispensing by doctors on the East Rand threatens to put many retail pharmacists out of business.

About 15 dispensing doctors in the Alberton area have got together after several meetings and decided to make money out of the irresistible discount prices offered them by pharaceutical companies on medicines.

Dispensing doctors in the Boksburg, Brakpan and Benoni area have banded together to make package deals with drug companies for medicines at preferential prices and have jointly purchased a computer to label medicines and provide instant information on where to buy drugs at the best prices.

The dispensing doctor team is a new facet of a growing, nationwide threat by trading doctors to the beleagured pharmacists.

Alarm and dismay was expressed at the 300-delegate annual general meeting of the Pharmaceutical Society of South Africa in Pretoria this week at the inroads the trading doctor is making on the the traditional preserve of the retail pharmacy.

Pharmacists from Transvaal, Natal and the Cape told *The Star* dispensing doctors are robbing them of business and they fear the retail pharmacist — who provides an invaluable primary health care role — may disappear.

The one-stop service for diagnosis, prescrition and dispensing offered by East Rand trading doctors has found favour with many people who normally took their scripts to pharmacies for cashing (dispensing).

Trading doctors point out the convenience of the service and can persaude patients — who still want to tender their scripts at the local pharmacy — their prices are cheaper.

It is estimated 14 pharmacies — five in Benoni, seven in Boksburg and two in Springs — face ruin because the scripts they used to make up for doctors have fallen by as much as 85 percent.

One woman pharmacist in Springs has already closed down.

A man who established a pharmacy in the Alberton area 13 months ago fears he may have to close down if the dispensing doctor pratice spreads.

"Since April 9 when when the doctors in Alberton teamed up to dispense I have lost a lot of business.

"Last May I had on average 162 scripts a day. This May my average has been 63 scripts a day.

"I can no longer afford the R2 000 a month rent I pay," said the pharmacist.

He used to employ three extra members of staff to cope with the late afternoon rush, but no longer does.

Another pharmacist in Alberton said his dispensing has dropped by 50 percent.

The question of the trading doctor will be discussed on May 20 at the first meeting of the permanent committee established this week consisting of the three executive members each of the South African Medical and Dental Council and the Pharmacy Board.

BRAND NAME PRESCRIPTION DRUGS	USE	GST & DISPENSING FEE NOT INCLUDED	GENERIC NAME PRESCRIPTION DRUGS	GST & DISPENSING FEE NOT INCLUDED	PERCENTAGE PRICE DIFFERENCE
Stopayne 100	painkiller	R23,00	Stilpane 100	R17,25	25
Inderal 40 mg (50)	hypertension	R16,29	Pur-bloka 40 mg (50)	R12,21	25
Moduretic (30)	diuretic	R11,67	Amiloretic (30)	R9,90	14,7
Zyloprim 300 mg (30)	gout condition	R28,62	Puricos 300 mg (30)	R16,62	41,9
Ilosone 250 mg (20)	antibiotic	R16,63	Purmycin 250 mg (20)	R11,10	33,3
Bactrim single strength (20)	antibiotic	R11,55	Purbac single strength (20)	R7,65	33,5
Indocid 25 mg (100)	anti-inflammatory	R26,91	Arthrexin 25 mg (100)	R18,09	32,8
Naprosyn 250 mg (30)	anti-inflammatory	R19,51	Nafasol 250 mg (30)	R13,02	33,2
Aldomet 250 mg (100)	hypertension	R22,71	Hy-po-tone 250 mg (100)	R17,01	25,1
Tegretol 200 mg (100)	epilepsy	R40,40	Degranol 200 mg (100)	R30,99	23,3
NON-PRESCRIPTION DRUGS			NON-PRESCRIPTION DRUGS		
Syndol (100)	painkiller	R20,31	Sedinol (100)	R15,18	25,3
Benylin 100 ml	cough mixture	R3,49	Elixirol 100 ml	R2,25	35,5
Betadine Ointment 25 g	antiseptic	R3,91	Podine Ointment 25 g	R2,61	33,2
Solphyllex 200 ml	cough mixture	R7,42	Theophen-Co 200 ml	R5,46	26,4

40% saving on some generic substitutes

Star 13/5/85

By Maud Motanyane, Consumer Reporter

Consumers can save even more than 40 percent on some drugs with a generic substitute for a prescribed brand-name product.

But before a pharmacy can dispense a generic drug conditions must be met.

Until last November South African pharmacies were forbidden by law to substitute generics for brand-name drugs.

Generics are copies of the brand-name drugs with the same amount of the active ingredients.

They must be given in the same dosage as the brand-name drug originally prescribed by the doctor.

Generics can be produced only after the 20-year patent rights of the original drug have expired.

AVERAGE SAVING

For example, since the patent on aspirin expired more than 80 years ago several copies have been produced.

A survey of 10 popular prescription drugs and five non-prescription drugsshowed that generic drugs were between 15 percent and 42 percent cheaper than brand-name equivalents (see chart).

These prices do not include general sales tax or a dispensing fee charged by pharmacies.

Gout patients have a choice between Puricos 300 mg, which costs R16,62 for a packet of 30 tablets, and Zyloprim 300 mg at R28,62.

They would save 41,9 percent.

If they receive continuous treatment for a gout condition and had to take a tablet every day they would spend R343,44 a year on a brand-name drug as opposed to R199,44 on a generic.

They would save R144.

Generic drugs have been used for decades in most overseas countries and in South African provincial hospitals.

These drugs are cheaper because they do not incur the research costs of the original.

Research has shown that the use of cheaper drugs would save the South African public R24 million a year.

As part of the South African Government's plan to reduce the cost of medicine, particularly for the chronically ill, the Department of Health and Welfare recommended that pharmacies be allowed to supply cheaper drugs.

The South African Pharmacy Board amended its rules at the end of last year and authorised pharmacies to replace prescibed drugs with generic equivalents, under the following conditions:

- The patient or the person responsible for administering the drug must be told about the substitution.
- The replacement must be a registered drug, must contain the same amount of the same active ingredients, and must be in the same dosage form as the prescribed drug.
- The generic substitute should be cheaper than the brand-name drug.
- If a doctor prefers a brand-name drug and does not want a pharmacy to replace it he can indicate by writing "no alternative" on the prescription or saying so if the prescription is verbal.

Drug firms 'sabotage' efforts to cut costs

CAPE TOWN—Drug manufacturers were sabotaging efforts to contain escalating health-care costs in their hunt for profits, the head of the Pharmaceutical Society of South Africa has charged, and inquiries last night suggested that many doctors were helping them.

Mr A P R van der Merwe, executive director of the society, alleged that the companies, in a massive bid to beat recent legislation that cuts health-care costs dramatically, had instructed representatives to campaign among doctors to back their more expensive products.

Mr van der Merwe pointed out, in a letter published in the latest South African Medical Journal, that legislation had been enacted last year permitting pharmacists to substitute lower-priced, but 'generically equivalent', medicines unless the prescriber specifically said they should not.

Now medical representatives were being told by big drug makers to ask doctors to write 'no alternative' on every prescription.

One Durban doctor said he had been approached by a few medical representatives on this subject.

'Most doctors are not in favour of generically equivalent medicines. Although they have much the same ingredients as the original medicines the reactions are not always the same.'

He said he felt that the firms which did the hard work in detailed research of medicines should be entitled to have preference over other, cheaper medicines.

Another doctor said: 'Some of the medicines have very slight variations but the decision should be left to doctors, who can take into account the financial means of their patients.'

He cited an example of a 'generic equivalent' which cost only 10 percent of the price of an original drug.

Mr van der Merwe wrote: 'The effort is being sabotaged by some sections of the pharmaceutical manufacturing industry, who apparently see it as a threat to the profitability of their companies.'

This group within the industry had exposed itself as being primarily interested in profit instead of the interests of patients, he added.

It had also been issuing statements to the profession and to the Press on what it had called 'the dire consequences' of substitution.

The manufacturers had even impugned the competence of trained pharmacists to supply alternatives, and had made veiled threats of legal action against the South African Pharmacy Board for amending the ethical rule, Mr van der Merwe added.

No comment

The Deputy Minister of Health, Dr de Villiers Morrison, said in Cape Town last night he did not want to comment on the allegations.

'All I can say is that I hope the two groups find a way to resolve their differences. This sort of thing is not good for retail pharmacy or the producers.'

Most doctors contacted last night were not prepared to comment on the subject which they said was a 'very complicated and sensitive' area in the medical profession.

Mercury Correspondent

Drugs man hits at pharmacists

Mercury Reporter

DRUG companies, chemists and doctors were embroiled in a growing row yesterday over rocketing health-care costs.

The companies have been accused of pushing their own expensive brand drugs at the expense of cheaper 'generic equivalents', but a spokesman for them yesterday underlined the cut the pharmacist was taking.

The companies had a right to advise doctors to veto generic equivalent drugs, the vice-president of the Pharmaceutical and Chemical Manufacturers' Association of South Africa, Mr Sean Lance, claimed.

He denied charges by Mr P R van der Merwe, executive director of the Pharmaceutical Society of South Africa, representing retail pharmacists, that major companies were sabotaging efforts to contain health-care costs.

'No alternative'

Mr van der Merwe had written to the South African Medical Journal accusing companies of launching a bid to beat recent legislation allowing pharmacists to substitute cheaper generic equivalents for prescribed medicines by instructing medical representatives to ask doctors to write 'no alternative' on every prescription.

Mr Lance claimed: 'Representatives have a duty to inform doctors that they may write "no alternative" on the prescription if they want the patient to receive an original product.

'We are out there to defend the integrity of our trademarks. That is what a free market is all about and it is not sabotaging attempts to keep prices down.'

Mr Lance said he did not believe generic substitution would lead to big savings, even if it was widely practised.

But a doctor told the Mercury of one generic equivalent which cost only 10 percent of the original drug's cost and others had indicated that savings of up to 50 percent could be achieved.

Mr Lance felt that the cost of drugs could be eased if the Government reviewed the amount of sales tax on medicines.

'If the Government is sincere in wanting to bring prices down they should look at sales tax and at ways of bringing about parity between the private and public sectors.'

While the Government bought about 60 percent of the volume of drugs sold in South Africa, it accounted for only about 35 percent of the money paid for them.

The private sector was subsidising free medical care for thousands who could afford to pay their own way, Mr Lance said.

Wholesalers, he said, marked up medicines by an average of 21,2 percent, and these prices were then marked up by about 50 percent by retail pharmacists, who also received a dispensing fee of R1,30 an item and a 'bro-

TURN TO PAGE 2

...ot traps ...way soon

...of speed prosecutions by camera' were erected on the freeway recently.

Sub-surface sensors have been laid at only two points so far, both on the southern freeway, one in each direction.

Mr Taylor said: 'It is our intention to create numerous other camera points on the city's freeway network. We will begin trapping in the very near future.'

The new device will have to be manned, but the use of a camera would drastically reduce the danger in stopping motorists on busy, multi-lane highways after they had been trapped.

The sophisticated camera link will be restricted to the city's freeways.

Mr Taylor said the device was 'actually an extension to the existing equipment'.

Medicines row rages

FROM PAGE 1

...ken bulk price of 50c an item.

Mr ... Bamber, a Durban pharmacist and past president of the Pharmaceutical Society of Southern Africa, said the society was busy with negotiations with the medical profession and drug manufacturers in an attempt to bring about agreement on the issue.

'Generic substitution is a part of a much larger whole. We are looking at massive changes in the way medicine is supplied in this country.'

The main thrust of this would be to shift the burden of supplying health care from the public to the private sectors and would ultimately benefit the taxpayer.

Call to accept drug substitution

(96) Star 4/7/85

Medical Reporter

An appeal to the Phramaceutical and Chemical Manufacturers' Association to drop its opposition to generic substitution in dispensing medicines was made in Port Elizabeth yesterday by Mr Pierre Retief, director of pharmaceutical services of the Department of Health.

Speaking at the annual conference of the Pharmaceutical Students' Federation, Dr Retief said nothing had arisen to make the Government change its mind about generic subsitution.

He reminded the conference substitution had been taking place in all State and provincial hospitals since the 1950s.

"It is in fact surprising the rule which forbade substitution in private practice remained in force until last year since it dates from the days when pharmacists compounded each formula prescribed by doctors," he said.

Dr Retief said fears that patients could be harmed by generic substitution were unfounded.

In all the years State and provincial hospitals had practised generic substitution there had not been grounds for a single legal action against these public institutions.

He said the generic substitutes produced by the local pharmaceutical industry were every bit as good as those of the multinational companies in quality, safety and efficacy.

What was happening under the new rules of generic substitution was that price competition was being introduced in the market for medicines.

W/ARGUS 6/7/85 (96)

SA's medicine war not over

PETER FABRICIUS
Weekend Argus Reporter

PHARMACISTS have won the battle against doctors who dispense medicines but it looks as though the war isn't over yet.

The controlling bodies of both professions have ruled against the rapid proliferation of doctors trading in medicine and threatened them with stiff penalties, including being struck off the doctors' roll.

But many pharmacists and doctors privately expressed doubt that the policy, jointly laid down by the South African Medical and Dental Council and the Pharmacy Board, could be enforced.

They also expressed reservations about the fairness of acting immediatly against traditional dispensing practices in poor areas which have depended upon selling medicine for years.

The agreement between the professions came after a sudden upsurge in doctors' dispensing this year which put several pharmacies out of business and threatened many more, especially in the northern Cape Town suburbs, the Boland, on the East Rand, in Bloemfontein and parts of Natal.

The number of doctors dispensing medicine shot up to 3 300 — compared to only 2 500 retail pharmacies countrywide.

The main reasons for the sudden increase were the poor economy which forced doctors to seek new sources of income and the pharmacy profession's decision to allow pharmacists to substitute similar medicines for the ones prescribed by doctors.

By dispensing themselves, the doctors could ensure that patients got the drugs they prescribed.

The problem was aggravated by the fact that doctors were getting their drugs more cheaply from wholesalers and could undercut the pharmacies.

"Pharmacies are facing a serious problem, perhaps the most serious in their history," warned the president of the Pharmacy Board, Mr J D van Zyl.

The two ruling bodies agreed doctors could not keep an "open shop" or "trade in medicine" except where this was incidental to their practice.

They specifically ruled that doctors' net earnings from medicine could not exceed 10 percent of the professional net income of the practice and that they could not sell medicines for more than the suggested retail price of the Pharmaceutical Society of South Africa, less 20 percent.

"Drastic" effect

This week sources in both professions said the decision could "drastically" effect many practices. A Cape Flats doctor with a large dispensing practice said he would find it hard to obey the ruling.

"Most of my patients are poor. They can't afford medicine from the pharmacies who make them pay cash. We are cheaper and we offer credit."

A pharmacist also expressed misgivings about the effects on traditional dispensing practices.

"There are two kinds of dispensing doctors; those who have been doing it for years, mostly in poor, rural areas and the newcomers with big practices mainly in the urban areas, who sprang up recently and took business away from pharmacies.

"On the Cape Flats there are doctors who have been dispensing medicine for years and have vested interests. They should be given time to get rid of their stocks of medicine at least."

Lifej... der... 'unreas...

Weekend A...

COMPULSORY lifejack... Winelands Canoe Marat... say race organisers, a... sures will be in effect ...

The four-stage 228k... Velddrif starts from t... Paarl on Wednesday.

More stringent safet... nounced by the Western... said lifesavers would b... along the Berg River af... two consecutive races.

Could h...

Eric Clayes, a 17-yea... drowned at the Moravi... and Gerrie Rossouw, 2... canoe overturned near ...

Some observers have ... in the race should be r...

But Mr Harold Larse... cil said safety jackets ... tions be even more dar...

"Lifejackets are all ... sporting events, as they ... they capsized. On the ... low trees, forcing a co...

Mr Larsen said the n... requirement that all p... had to state that they ... will be inspected for b...



Doctors jab back at pharmacists in PR battle



Picture: HANNES THIART, The Argus.

Tygerberg Hospital's Florence Nightingale of the 80s, Miss Janet Wessels, who won a silver lamp for her achievements in the South African Nursing Council examinations in midwifery last year. Janet is studying for a post-graduate qualification so she can lecture and work in her favourite department — maternity, of course. With her is six-day-old Elda Lerm, daughter of Mr and Mrs P Lerm of Kraaifontein.

Medical Reporter

DOCTORS are to launch a "See your doctor if ..." campaign to counteract the "Your pharmacy knows best" campaign recently started by the Pharmacy Board.

The National General Practitioners Group of the Medical Association of South Africa (Masa) believes the pharmacists' campaign could be exposing patients to serious harm by promoting the pharmacist as the "first port of call in the event of illness", says a circular sent to all general practitioners.

"For example, the Pharmacy Board is looking into the possibility of pharmacists being allowed to do pregnancy tests and take blood-pressure readings; to diagnose and treat skin ailments and venereal disease, and that oral contraceptives be rescheduled," the circular says.

"To counteract this campaign effectively it will be necessary to direct a subtle educational programme at patients."

"Dangers"

Masa's public relations committee intends to issue statements indirectly warning the public of the dangers of the campaign.

"Individual doctors are in the best position to ensure that their patients' trust in the medical profession is reafirmed. It is therefore imperative that every doctor be aware of the intentions of the pharmaceutical campaign and try to get the 'Your doctor knows best' message through," it says.

Information leaflets are to be compiled by the public relations department of Masa. They will carry brief messages such as "Your health is your most important asset — see your doctor if ..." or "Irresponsible self-medication could be dangerous because ..."

The leaflets will be available to general practitioners to attach to monthly accounts.

70 city clothing salesmen stop work over cutbacks

SAD tie helps Link keep its prices down

CHERILYN IRETON

LINK Pharmacies are using the muscle of parent SA Druggists to keep pace with supermarket prices.

According to a recent survey, Link prices are an average 12% cheaper than other pharmacies and only 2% more expensive than supermarkets.

Says GM Mike Lazarow: "We use the collective muscle of SAD to buy well."

SAD's wholesaling arm is the primary source of supply for Link's 570 outlets, but Lazarow says franchise owners are not forced to stick with the pharmaceutical chain.

Most of the competition applies to patent medicines, cosmetics and toiletries. The market for scheduled drugs is different.

Although Link outlets make up less than a quarter of the country's 2 400 pharmacies, Lazarow says industry surveys show it has a 37% market share of the total pharmacy sector.

The Plus chain is the market leader, with 780 outlets. Other major chains include the Adcock's Family Circle, with 100 stores, and the Eastern Cape group, Bonus, with 150.

Growth of new Link franchises is on target at about 10% a year.

Court blow to medicine costs

A COURT yesterday ruled in favour of medicine manufacturers, banning pharmacists from substituting generic equivalents to help patients keep down the cost of medicines.

By Mercury Reporter

But there were immediate indications last night that the Pharmacy Council, responding to the spirit of a request by the late Dr Nak van der Merwe when he was Minister of Health, would take fresh action to remove a legal impediment which might have led to the Court ruling.

The Pretoria Supreme Court yesterday ordered the Pharmacy Council to set aside an amended version of its Ethical Rule 1, the code which gave retail pharmacists the right to substitute medicines.

Reversion to the original rule would mean that pharmacists would no longer be able to substitute with a generic medicine without reference to the prescribing doctor.

A generic medicine is the same as the originally patented medicine, but of a different brand and in most cases cheaper, sometimes enabling a patient to save as much as 40 percent.

It was estimated last night that patients could be saved up to R24 million a year if all possible prescribed medicines were substituted.

The change in the rule was introduced last year in response to the late Minister of Health's request to reduce the cost of medicine to the consumer.

Technicality

Mr Tony Karis, deputy managing director of South African Druggists, one of the main lobbyists for substitution, said last night: 'It appears that the method by which the ethical rule was compiled was incorrect in terms of points of law.

'This is the fact on which representatives of the Pharmaceutical and Chemical Manufacturers' Association have based their case.

'The ethical rule has reverted to its original form because of a technicality.

'The attorney of the Pharmacy Board stated in court that the board will not let the matter rest here.'

Mr Karis pointed out, in a statement last night, that at a function in Potschefstroom before the Court ruling, Health Minister Dr Willie van Niekerk had said that generic substitution of medicines would continue on the basis of therapeutic equivalence.

'In light of the Minister of Health's statement we believe that the ethical rule will change yet again in the very near future, correctly constructed, and allowing for the substitution of therapeutically equivalent generic medicines,' the statement said.

Reference to the doctor by pharmacists before they substituted a medicine had been a common practice over a number of years and would continue, as would the use of generic medicines in the servicing of district surgeon's prescriptions which had also become common practice.

Mr Karis warned: 'A number of medical aid schemes have introduced a maximum medical aid price system.

Less expensive

'Under the system, if the doctor refuses the option of substitution, the consumer will be faced with paying the difference between the price of the generic medicine and the higher-priced originally patented medicine.

'Generic medicines can be as much as 40 percent less expensive than the original medicine.

'Concerned at the ever rising cost of medicine, the South African National Consumer Union endorsed generic substitution earlier this year.

'Quality generic medicines have been successfully used in hospitals for decades and to a large degree in the private sector for the past year,' Mr Karis pointed out.

'It is absurd,' he added, 'that their benefits should now be denied the consumer when the cost of medicines has risen by up to 40 percent in the past few months.'

The applicants in the Pretoria Supreme Court yesterday — most of them pharmaceutical manufacturers — argued that generic substitution was unlawful in terms of the Medicines and Related Substances Control Act and that the Pharmacy Board had exceeded its powers by legalising substitution.

Pharmacy Council registrar Dennis Duggan said the council would meet to consider its position.

Reacting to yesterday's developments, a past president of the Pharmaceutical Society, Mr Don Sutherland, said the ruling could lead to a normalisation of relations between the manufacturers and the society.

'But I don't see much change in the industry's cost structure as a result.'

A Durban pharmacist said last night: 'Chemists in general are against the old ruling because we don't believe doctors make their choices purely on medical grounds but on what is told to them by representatives of the manufacturing companies.'

Govt word sought on generics

25/11/85 Mercury 96

Mercury Reporter

THE Pharmaceutical Society and the Medical Association are to seek urgent meetings with the Minister of Health to discuss Wednesday's Supreme Court ruling forbidding pharmacists from practising generic substitution.

But while the Medical Association will discuss the dangers of generic substitution with the Minister, the Pharmaceutical Society will emphasise the importance of cost saving involved in generic substitution.

From yesterday, the rule of November 1984, issued by the South African Pharmacy Board and approved by the then Minister of Health and Welfare, Dr Nak van der Merwe, which allowed pharmacists to substitute generic equivalents to help patients reduce the cost of medicine, was set aside.

The saving on generic medicines was said to be 40 percent compared with the price of original prescribed medicines.

And now the Court order, instead of lessening the rift in the pharmaceutical industry, looks set to create another major row between the manufacturers and doctors on one side and pharmacists' organisations on the other.

Yesterday Mr Don Sutherland, president of the Pharmaceutical Society, said the matter was in a 'state of flux'.

'We are waiting to consult with the Minister to see how we can continue with programmes which are in the interest of the consumers in this country.

'In the present economic conditions it seems extraordinary that a cost-saving situation can be stopped by pressure from the pharmaceutical industry.'

Mr Sutherland said two generic substitution programmes, in the Cape and Free State, had proved to be very cost-effective.

'In the Free State about R1 700 000 will be saved on an annualised basis while about R3 500 000 will be saved in the Cape.'

Study

However, the executive director of the Pharmaceutical and Chemical Manufacturers' Association of South Africa; Mr John Toerien, said that while the original 'ethical rule' had been motivated on the basis that the price of medicine was too high, the association had never accepted this allegation.

'This viewpoint is supported by the conclusions of several Government-appointed commissions.'

A study undertaken by the association reflected that among the top 200 medicines, savings expected from generic subsitution would be only 5 percent.

Taken over the total range of medicines, the saving would be between 2,5 percent and 3 percent.

'This conclusion is not out of line with similar studies overseas where governments have rejected the principle of generic substitution because the expected small cash saving did not match the scientific risks involved,' Mr Toerien said.

Mr Sutherland did not agree with the 'expected savings' quoted by Mr Toerien.

'We can prove that a saving of 16,58 percent will be achieved in the Free State without taking inflation into account,' he said.

The society would have to investigate why the original decision was overruled. If it was because the Court believed pharmacists were not qualified enough, the society would disagree.

'We are taking legal advice to see what ethical rules stand at the moment,' he said.

The Medical Association said in a statement yesterday that it had asked the Minister of National Health and Population Development to meet a delegation to discuss the matter.

The Opposition spokesman on health, Dr Marius Barnard, said he could see both views, but he thought the original decision to allow pharmacists to dispense generic substitutes had been taken too hastily.

Nusas congress

Political Reporter

DELEGATES from every Afrikaans university are expected to attend this year's National Union of South African Students' congress in Cape Town next month.

Sacu campaign for generic medicines

Staff Reporters

THE South African Consumer Union (Saecu) is to embark on a nationwide campaign to encourage consumers to ask doctors to prescribe generic medicines.

The union's move comes in the wake of predictions that medicine prices will rocket by 32 percent next year because of the low exchange value of the rand and of the import surcharge.

A generic medicine is a copy of a branded medicine out of patent, sold under a different name.

A recent Supreme Court ruling made it illegal for pharmacists to substitute generic medicines without the consent of prescribing doctors.

Mrs Betty Hirzel, chairwoman of the Consumer Union, said in a statement: "The union has decided unanimously to embark on this nationwide campaign early next year.

"We are gravely concerned at the ever-increasing cost of medicines. Generic equivalents have proved to be cheaper, often considerably so. We feel that generics should be freely available to consumers. The hard-pressed consumer should not be denied this benefit during these adverse economic times.

"Medical-aid schemes are overloaded and we are concerned that with the increase in the price of medicines, premiums will increase out of all proportion," she said.

Generics had been used by hospitals in this country for many years with no adverse results reported and at a considerable saving to the taxpayer and patient.

BUSDAY 12/2/86

(96)

'Generics' still alive

THE Pharmacy Council is continuing investigations into ways of developing greater use of generic medicines as a form of cheaper health care.

A recent Supreme Court ruling, outlawing the substitution by pharmacists of prescribed medicines, prevented implementation of an ethical rule which would have allowed greater use of generic drugs — copies of original drugs on which the patent has expired.

The court decision hinged on the Pharmacy Council's 1984 amendment to its Ethical Rule 1, permitting substitution under certain conditions. The court ruled the council was acting outside the Pharmacy Act, under which it operates.

According to Pharmacy Council president Kosie van Zyl, the council still supports the principle of "legalised responsible generic substitution".

Industrial Staff

He says: "My council is investigating ways and means to bring this about, possibly by advising the Minister of National Health and Population Development to amend certain legislation to legalise substitution to serve the best interests of the public."

Van Zyl says the council accepts that generic substitution cannot be effected legally, using an ethical rule, in terms of the provisions of the Pharmacy Act.

"For these reasons, my council is investigating alternative channels to assist in containing the escalating costs of medicines."

He says council committees considering cost-cutting recommendations are due to report back in mid-March.

Retail pharmacy 'losing its way'

01/3/80 - (9C) Mercury

Mercury Correspondent

JOHANNESBURG—The retail pharmacy as we know it today is at a dead end and unless pharmacists stick to dispensing medicines they will go out of business.

This was said by Mr Tony van der Schyf, a partner in a Johannesburg-based marketing consultancy, in a speech to the Afrikaanse Handelinstituut in Pretoria at the weekend.

Mr van der Schyf said the face of retail pharmacy was changing radically.

The 2 100 pharmacists' share of the shampoo and conditioner market had declined in 10 years by more than 25 percent, and in the skin-care section by more than 30 percent.

'All these products and others are being lost as a result of the technological advancements made by the retail grocery chains, and no retail pharmacy can compete unless it consolidates its buying power.

'Privatisation will bring about vast changes where the retail pharmacist must change his current retail format.'

Mr van der Schyf said his company has just completed a major study on the future of retail pharmacy, and in the area of legislation pharmacists would have to consider the ruling of the Competitions Board regarding collusion, market sharing and price fixing.

'This ruling alone, which comes into effect on May 2, will have a dramatic impact on the pharmacist and his sources of supply. Price fixing at all levels would be outlawed and competition among pharmacists can be expected.'

Mr van der Schyf said two distinctly different types of retailing would emerge. There would be the Clicks-type discount stores, and other specialist dispensaries.

The key to success for the specialist dispensary would be the level and quality of personal and professional service provided.

The other discount stores would run as they did at present but would include a dispensary section staffed by qualified assistants.

'The black consumer has hardly any accessible services and here there are ideal opportunities for pharmacists to exploit this vast potential with its 1 800 000 black medical-aid members,' Mr van der Schyf said.

He said retail pharmacy would have to determine a new direction.

'It cannot be all things to all men and the pharmacists' attempt to achieve this has resulted in retail pharmacy losing its way.'

B. Day 20/3/86

Thursday, March 20 1986 96

BDM

New medicine printing rules

LINDA ENSOR

NEW regulations governing printing on the packaging of medicines is due to come into effect on April 21.

Product and applicant name, as well as date and batch coding, must appear on all registered pharmaceutical packaging.

The legislation was originally gazetted in October 1983 when a two-year period was laid down to enable the pharmaceutical industry to comply with the regulations.

Last October the industry was given a further six months to prepare.

SA Medicines Control Council chairman, Professor Peter Folb, said the council felt that printing of medical details was too variable and sometimes illegible and thus decided to lay down requirements for uniformity.

Chemists seek end to surcharge

CHERILYN IRETON

PHARMACISTS are fighting to have the 10% surcharge on imported medicines and raw materials removed.

A similar tax imposed on books was dropped after public outcry.

Pharmacists are asking for the surcharge to be scrapped in an effort to bring down SA's soaring medicine bill.

"The 10% has got to be removed," says Pharmaceutical Society president Don Sutherland.

"The surcharge is imposed on base costs such as imported raw materials. This, together with GST, is adding at least another R150m to the price of medicine," he says. The society is to make renewed representation to the Minister of Health on these issues.

The alleged subsidisation by the private sector of the State medical bill has also been raised with government.

At the moment, pharmaceutical manufacturers tender for high-volume state contracts. However, when competition is tight or manufacturers have to compete with cheaper generic alternatives, prices are cut substantially.

"The result is that 60% of the volume is going through the State at around 35% of the price," says Sutherland.

When this happens, manufacturers are accused of loading the retail price to make up possible losses.

Although the price difference between what the state and retail sectors pay varies from item to item, differences from 17,5% to about 1 000% have been noted, says Retail Chemists Association past president Jack Bloom.

Bloom says he has no doubt the private sector is subsidising State medicine costs. "If the government paid 10% more for its medicines, it would cut a lot more off the retail medicine bill."

Manufacturers deny responsibility for the high cost of medicines at retail level, arguing that they sell medicines worth about R365m to the wholesale sector. Retail turnover on the same products is about R902m, they say.

One union grouping, the Congress of SA Trade

After school, his childre

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Doctors anger pharmacists with dispensing claim

By Joe Openshaw,
Medical Reporter

Retail pharmacists are incensed by attacks made on them this week by dispensing doctors at the Fifth General Practitioners' Congress in Johannesburg and are angry at a suggestion that the South African consumer would be saved R600 million a year if all dispensing were done by general practitioners.

Mr Don Sutherland, president of the Pharmaceutical Society of South Africa, told *The Star* yesterday dispensing doctors had resumed the "war of attrition" they have been waging against pharmacists.

"Figures quoted at the congress by Dr R J Kobrin, a dispensing doctor, are at least R115 million out," Mr Sutherland said.

Dr Kobrin said there was a staggering mark-up of R575 million between production and consumption of ethical drugs put on the market by manufacturers.

Mr Sutherland said there were important factors the public should know:

- Pharmacists undergo five years of intensive training to specialise in medicines while doctors only undergo a six-month course.
- Dispensing doctors have to be well versed in and carry only about 40 scheduled drugs while pharmacists have to be well versed in and stock 2 000 scheduled drugs.
- Many dispensing doctors only have contact with patients on the telephone, or operate outside the law because they are too busy seeing patients to dispense themselves so leave the job to receptionists or nurses — 90 percent of whom are unqualified.

Creams still cause blotches

Medical Reporter

Skin lightening creams still cause permanent disfiguration in an alarming number of users — even in new preparations containing the legal limit of two percent hydroquinone, an ingredient linked with permanent blemishing.

This was found in a study by the departments of dermatology, family medicine and biostatistics at Pretoria University, the Fifth General Practitioners' Congress held in Johannesburg was told this week.

Skin lighteners were introduced into South Africa in the mid 1960s and by the '70s an increasing number of patients attended dermatology clinics suffering from disfiguring dark blotches on the skin.



☐ The speed of deliveries to Family Circle pharmacies has been enhanced with the aid of this computerised vertical carousel picking machine.

25/4/96 BUSDAY

Pharmacy franchising is powerful medicine

96

THERE ARE three major pharmacy franchises: Family Circle, Link and Plus, as well as a regional chain, Bonus, in the Eastern Cape.

They franchise with a difference. The pharmacies use their own names but make it clear to which franchise they belong by their signage.

There is no franchise fee as such, just a monthly payment based on turnover.

"Think Link," says SA Druggists' GM of Link, Benzie Joffe. "We claim this franchise has proved, by consistent sales growth, that our strategies create high consumer response and that it is the most innovative chain in the retail pharmacy sector."

As a result, recent research has shown 95% consumer awareness of the name, he says.

Link claims to have franchised 23% of all pharmacies in SA. In the main, established pharmacies convert to Link, but management can arrange to set up for a franchisee if it is required, using the company's expertise in research, siting, signage and everything that is required down to merchandising.

Lex Tannenbaum, executive chairman of E J Adcock, which franchises the 12-year-old Family Circle chain, says his company offers all the usual support with siting, research, design, documentation, merchandising.

"The franchisee simply brings us a signed proposition and could well go away on vacation and just come back for the opening — we do it all."

There are now 30 outlets in all provinces apart from the Cape.

"It costs R160 a month to belong, and R100 000 to set up. There is no starting fee, but the obligation is to buy wholesale from the parent company," says Tannenbaum.

Name of School	(b)	(c) (i)	(ii)
Pre-primary School	Block E	4	3
Primary Schools:			
Khayelitsha No 1	Block E	24	28
Vusumoya	Block E	24	20
Nolungile	Terrain C	24	23
Vusamanzi	Terrain C	24	20
Vusilile	Terrain C	24	13
Inyongo	Block C	24	13
Hombba	Block D	24	12
Masithandane	Block B	24	17
Lwandle	Block J	24	21

(2) (a) (i) Not available.

(ii) 140.

(b) (i) Not available.

(ii) 806.

(c) (i) Not available.

(ii) 888.

(3) Yes. Figures as on 5 March 1985.

Note: With reference to paragraph (1)(a)(iii) it can be mentioned that the Luhlaza Secondary School started functioning with effect from 1 March 1986.

Q Con 1635
HANSARD 6/5/86

UDF

772. Mr P R C ROGERS asked the Minister of Justice:

Whether any members of the United Democratic Front were convicted of acts of violence during the latest specified period of 12 months for which figures are available; if so, (a) how many and (b)(i) of what offences were they convicted, and (ii) what sentences were imposed, in each case?

The MINISTER OF JUSTICE:

Whether a particular accused person is a member of the United Democratic Front, or not, is not necessarily recorded during a criminal trial. The information is therefore not available.

HoA

Student representative councils

793. Mr K M ANDREW asked the Minister of Education and Development Aid:

Whether any schools falling under the control of his Department have student representative councils; if not, why not; if so, how many such councils had been established (a) in total and (b) in each departmental region as at the latest specified date for which information is available?

The MINISTER OF EDUCATION AND DEVELOPMENT AID:

Yes.

(a) 198.

(b)

Orange Free State Region	24
Northern Transvaal Region	23
Cape Region	38
Orange Vaal Region	6
Natal Region	30
Highveld Region	14
Johannesburg Region	56

Statistics as on 28 February 1986.

HANSARD 6/5/86.

Customs duties

868. Mr R W HARDINGHAM asked the Minister of Finance:

What amount was collected in customs duties in 1984 in respect of (a) medicines for (i) veterinary and (ii) human use, (b) agricultural machinery and (c) fertilizers?

The MINISTER OF FINANCE:

Customs Duty

(a) (i) and (ii) Separate statistics in connection with revenue in respect of medicines for veterinary or for human use are not available. Revenue in respect of medicines for human and veterinary use is as follows:

Medicines	R7 824 660

(b) Agricultural machinery R103 239

The figure which is furnished is in respect of agricultural machinery classifiable in tariff heading 84.24 of Part 1 of Schedule No 1 to the Customs and Excise Act.

It should be noted that agricultural machinery is in the most cases free of customs duty or subject to a relatively low rate of customs duty.

(c) Fertilizers R1 091 475

The above-mentioned statistics are for the year 1984.

Q Con 1637
HANSARD 6/5/86

New post office tariffs: pamphlets

873. Mr K M ANDREW asked the Minister of Communications:

(1) Whether his Department produced any information pamphlets or leaflets giving details of the new post office tariffs effective from 1 April 1986; if so, when were they made available to the public for the first time;

(2) whether these pamphlets or leaflets were available simultaneously in both official languages; if not, (a) why not and (b) in which language were they produced first;

(3) whether they are to be produced in the other official language; if not, why not; if so, when will these pamphlets or leaflets be available at post offices;

(4) whether any post offices received any complaints regarding these pamphlets or leaflets; if so, (a) when, (b) which post offices and (c) what was the (i) nature of the complaints and (ii) response thereto;

(5) whether he will make a statement on the matter?

The MINISTER OF COMMUNICATIONS:

(1) Yes, supplies of an information pamphlet containing the most important new tariffs were despatched from Pretoria to Postmasters country-wide from 1 to 4 April 1986 and would have reached most of the post offices within a day or two whereafter they would have been available immediately for issue to the public on request;

(2) Yes. (a) and (b) Fall away.

(3) Falls away.

(4) The required information is not readily available and to obtain it from the approximately 1 600 post offices in the country would be a task of considerable magnitude which cannot be justified;

(5) No, except that I would like to convey my regret to the users of our services for any inconvenience they may have been occasioned because of the fact that the relative information pamphlet could, as a result of the limited time in which it had to be compiled and printed, not be made available to post offices somewhat earlier. I must, however, emphasize that postmasters were in possession of full particulars of the tariff increases prior to 1 April 1986 and were therefore in a position to deal with enquiries in regard thereto effectively.

6/5/86.

Black townships: troops

HANSARD Q Con 1638

878. Mr K M ANDREW asked the Minister of Defence:

(1) (a) In which Black townships were troops of the South African Defence Force deployed in 1985, (b) what functions did these troops perform in such townships and (c) what total number of persons attached to the South African Defence Force were deployed in these townships in 1985;

(2) whether any of these troops were national servicemen; if so, how many;

(3) whether any (a) members and/or (b)

HoA

Pharmacists await generic medicines list

BUS DAY 7/5/96 96

THE pharmaceutical industry is waiting in vain for a list of copy-cat generic medicines safe enough to substitute for original patented products.

While manufacturers remain convinced that a list is being compiled by the Medicines Control Council (MCC), government health officials said yesterday nothing was being done.

The list, seen by manufacturers as a first step towards the reintroduction of generic product substitution by pharmacists, was to have been compiled by the MCC at the request of National Health Minister Willie van Niekerk.

CHERILYN IRETON

Yesterday, however, the state's Registrar of Medicines Johann Schlebusch and Department of Health chief director of consumer goods Dr Gerhardus Oberholster said there was no list.

Oberholster said the project to draw up a list was called off when the Supreme Court outlawed generic substitution last year.

"We are taking note of those products that are equivalent. But we cannot produce or publish any list unless the Pharmacy Act is amended," he said.

Pharmaceutical and Chemical Manufacturers Association (PCMA) executive director John Toerien thinks that a list is being compiled.

In a newsletter to members, he cited information from the Department of National Health's annual review. It said the MCC was involved in a new initiative which will eventually provide a list of therapeutically equivalent generic medicines. This would make cheaper medicines available to the public, according to the report.

Telephone services/post boxes

925. Mr P G SOAL asked the Minister of Communications:

Whether any applications for (a) telephone services and (b) private post boxes were outstanding in the Johannesburg North constituency as at the latest specified date for which figures are available; if so, (i) how many and (ii) when is it anticipated that the backlog will be eliminated?

The MINISTER OF COMMUNICATIONS:

(a) Yes, 1 079 as at 31 March 1986;

(i) and (ii) In addition to applications that are met on demand on a continuous basis where telephone numbers and cable leads are available, service will be provided as follows to waiting applicants in the areas indicated:

Exchange area	Number of waiting applicants	When services are to be provided
Bramley ..... (includes the suburbs of Eltonhill, Winston Ridge, Kentview and Birnam)	486	During the second half of 1986 on commissioning of a 10 392 line extension to the exchange and the completion of cable works.
Rosebank ..... (includes the suburbs of Fairway, Illovo, Melrose, Melrose North, Melrose Estate, Birdhaven, Dunkeld, Dunkeld West, Parktown North, Parkhurst and Craighall Park)	179	Towards the middle of 1986 on commissioning of a 3 328 line extension to the exchange and the completion of cable works.
Randburg ..... (includes the suburb of Craighall)	344	A 1 840 line extension to the exchange was commissioned on 26 March 1986 and 237 of the waiting applicants have since been provided with service. The remaining 107 applications will be disposed of as cable works are completed.
Linden ..... (includes the suburbs of Victory Park, Pierneef Park, Pine Park, Blairgowrie and Beaconsfield Estate)	70	Within the next 3 months as cable works are completed; and

(b) Yes, 53 as at 23 April 1986;

	(i)	(ii)
Birnam Park Post Office	42	Additional private boxes cannot unfortunately be provided as the structure of the hired premises housing the post office precludes the installation of such boxes.

Exchange area	Number of waiting applicants	When services are to be provided
Pinegowrie Post Office	11	On completion of a departmental post office building with 2 000 private boxes which has already been planned on Erf 2073 and of which the completion is scheduled for March 1988, provided funds are available.

Q col 1726.

HANSARD

Homeopathic remedies 96

977. Mr W V RAW asked the Minister of National Health and Population Development:

(1) Whether homeopathic remedies are required to be registered with the Medicines Control Council; if so,

(2) whether such homeopathic remedies include those (a) comprised solely of natural herbal/biological and/or plant ingredients, apart from minute dosage items, and (b) containing synthetic or other phyto-pharmaceutical cum homeopathic ingredients not classified as scheduled drugs;

(3) what is the estimated number of (a) herbal remedies, (b) homeopathic remedies, (c) phyto-pharmaceutical cum homeopathic remedies, (d) vitamin preparations, (e) health foods and teas and (f) Zulu/Sotho tribal medicines which are available on the South African market but are not registered with the Medicines Control Council;

(4) how many persons who have qualifications relating to homeopathic and/or herbal and phyto-pharmaceutical remedies were (a) serving on and (b) employed by the Medicines Control Council as at the latest specified date for which information is available;

(5) what is the estimated number of (a) vitamin and tonic preparations and (b) health foods, health food additives and health teas still to be registered with the said Council;

(6) whether he or his Department has any information on whether other countries have separate bodies to deal with any of the above categories of remedies; if so, what other countries?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

(1) Yes.

(2) (a) and (b) No.

(3) (a), (b), (c), (d), (e) and (f) Unknown.

(4) (a) and (b) None.

(5) (a) Approximately 970 vitamin preparations must ultimately be registered by the Council. About 260 tonic preparations require registration.

(b) Health food, health food additives and health teas, when no medicinal claims are present, do not require registration with the Council. Such preparations are considered to be foods.

(6) No.

Jan Smuts Airport

1018. Mr P G SOAL asked the Minister of Transport Affairs:

(1) Whether, with reference to his reply to Question No 908 on 27 May 1985, tenders for the improvement to the

Medicine prices 'manipulated'

Manufacturers accused of offering kick-backs

Financial Staff

DURBAN — Medicine prices are rising constantly — and a pharmacist claims underhand tactics and excessive promotion by manufacturers are the chief contributors to inflated medicine prices.

The Government also takes its slice through GST at point of sale and import duties on raw materials along the way.

Backhanders to doctors to use certain brands, subtle "reward psychology" used on general practitioners and pharmacists by manufacturers' representatives, combined with advertising costs, are adding 25 percent to the ever-increasing prices charged for medicines, says the Johannesburg pharmacist, who asked to remain anonymous for professional reasons.

A spokesman for the 50-member Pharmaceutical and Chemical Manufacturers' Association denies the allegations and says the industry is "cost-containment conscious".

Says the pharmacist: "A GP friend of mine has showed me several hundred rands' worth of exotic liquor he has been given by visiting pharmaceutical reps.

"He is just one ordinary doctor. Multiply that out over all the thousands of GPs in the country — many of whom must be treated in the same way — and you can see what sort of contribution this could make to medicine prices, which we are told will soar 50 percent this year."

In addition to alleged kick-backs to doctors to use their drugs — cases of which are being investigated by the SA Medical and Dental Council — the pharmacist claims the overseas principals of some local producers increase the prices they charge their local subsidiaries for raw materials as a way of getting money out of the country.

"They portend that the ingredients can be obtained only overseas — even though they may be far cheaper locally — and they push the prices up several-fold — which has a massive inflationary effect on medicines."

No-claim bonus

The pharmacist charges also that medical aid schemes benefit manufacturers by "anaesthetising" patients against the direct full effect of price increases — not only for medicines, but also for doctor's consultations.

"We need a no-claim bonus scheme on medical aid schemes. There are people who run to the doctor for a prescription every time they sneeze, and it's not doing the societies or the economy as a whole any good."

He says the 17,5 percent mark-up of drug wholesalers and the between 10 and 50 percent added on by pharmacists are not excessive given the overheads.

"Among the main culprits are doctors and private hospitals who obtain their supplies direct from the manufacturer, and prescribe them at the retail price, or higher.

"In some instances, the medical aid societies are regarded as fair game while they provide protection from undue resistance from patients."

A Durban medical aid society official has payment figures for medicines prescribed for members which point to about a 27 percent increase in prices between the second quarter last year and the same period in 1986.

The gulf between 1986 and that period two years ago is 73 percent.

In the second quarter of 1984, about 770 members cost the society R44 561; between March and June this year 935 members cost it R93 901. The figures do not take account of percentage levies charged to members, which also increased proportionately.

The pharmacist emphasises he considers not all manufacturers act improperly.

"At heart, they are probably an ethical bunch, but they are wary of losing market share and of sacrificing their vested interests, and they will go a long way in protecting themselves — including violating their code of conduct."

Last November, the manufacturers were successful in having the Supreme Court prohibit pharmacists from substituting brand medicines prescribed by doctors with generics — a move which was estimated could have brought savings of nearly half in the cost of medicines.

The Pharmaceutical and Chemical Manufacturers' Association spokesman says although a pharmacist has a better knowledge of drugs than a doctor, he is unacquainted with patients' histories.

Liability

At the same time, no authority exists to legally determine that an unnamed concoction has the same formula as a branded product.

"Who would bear liability in the event of a generic variety having adverse effects that would have been avoided if the doctors' prescription had been abided by?"

He defends price rises in medicines on the basis of the widened exchange differential between the rand and other currencies, which has a multiplier effect on the imported cost of raw materials.

He disputes the suggestion that multi-national manufacturers connive to push prices higher, and use foreign supplies to export currency from the country.

26/8/88 BUSDAY

96

Generic drug ban is slated

Industrial Staff

THE provision by pharmacists of generic alternatives to increasingly costly medicines could help crippled medical aid schemes, says Allied Pharmaceuticals chairman Carl Schnell.

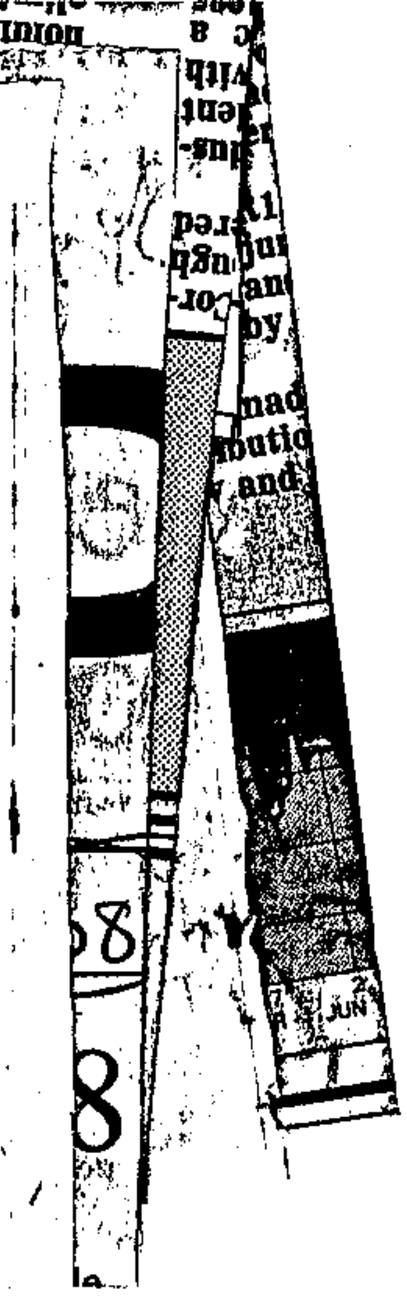
Reacting to reports that medical aid schemes were losing millions, Schnell criticised legislation prohibiting the replacement of prescribed drugs with generic — or copy-cat — substitutes.

Generic substitutes were considerably cheaper than brand-name drugs and manufacturers had repeatedly pointed to the potential savings to patients of allowing pharmacists to substitute them for prescribed drugs.

Schnell said: "In First World countries like the US, generic substitutions are legal and prevalent. So why not here? If the pharmacists were allowed to stock generics, they could offer medical aid schemes enormous benefits.

"We are in the ludicrous situation of trying to supply First World medicine in Third World circumstances."

Allied MD Graham Clark said although generic drugs were available at provincial hospitals, the man-in-the-street paid increasing medical aid premiums to counteract rising medical aid costs.



ment Mining Engineer in respect of that mine or works, or that class or type of mine or works, and of which the Government Mining Engineer has in writing given prior notice to the owner of any mine or works concerned.''.

opsigte van daardie myn of bedryf, of daardie klas of tipe myn of bedryf, bepaal, en waarvan die Staatsmyningenieur die eienaar van elke betrokke myn of bedryf vooraf skriftelik in kennis gestel het.''.

DEPARTMENT OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

No. R. 2278 **31 October 1986**

THE SOUTH AFRICAN PHARMACY COUNCIL

REGULATIONS RELATING TO THE FEES PAYABLE BY AND TO THE COUNCIL UNDER THE PHARMACY ACT, 1974.—AMENDMENT

The Minister of National Health and Population Development, acting on the recommendation of the South African Pharmacy Council, has, in terms of section 49 of the Pharmacy Act, 1974 (Act 53 of 1974), made the regulations set out in the Schedule hereto.

SCHEDULE

1. In this Schedule ''the regulations'' shall mean the regulations published under Government Notice R. 2505 of 19 November 1982, as amended by Government Notices R. 1982 of 16 September 1983, R. 1788 of 17 August 1984, R. 850 of 19 April 1985, R. 2046 of 13 September 1985, R. 2207 of 4 October 1985 and R. 1651 of 8 August 1986.

2. The regulations are hereby amended by—

(a) the insertion after regulation 2 (4) (g) of the following:

''(h) Annual fee, payable not later than 1 February by pharmacists who are undergoing their compulsory military training for a period of two years: R60.'';

(b) the substitution in regulation 3 (2) (a) for the expression ''R40'' of the expression ''R60''.

DEPARTEMENT VAN NASIONALE GESONDHEID EN BEVOLKINGS-ONTWIKKELING

No. R. 2278 **31 Oktober 1986**

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES BETREFFENDE DIE GELDE WAT INGEVOLGE DIE WET OP APTEKERS, 1974, AAN EN DEUR DIE RAAD BETAALBAAR IS.—WYSIGING

Die Minister van Nasionale Gesondheid en Bevolkingsontwikkeling het kragtens artikel 49 van die Wet op Aptekers, 1974 (Wet 53 van 1974), op aanbeveling van die Suid-Afrikaanse Aptekersraad die regulasies in die Bylae hiervan uiteengesit, uitgevaardig.

BYLAE

1. In hierdie Bylae beteken ''die regulasies'' die regulasies afgekondig by Goewermentskennisgewing R. 2505 van 19 November 1982, soos gewysig by Goewermentskennisgewings R. 1982 van 16 September 1983, R. 1788 van 17 Augustus 1984, R. 850 van 19 April 1985, R. 2046 van 13 September 1985, R. 2207 van 4 Oktober 1985 en R. 1651 van 8 Augustus 1986.

2. Die regulasies word hierby gewysig deur—

(a) na regulasie 2 (4) (g) die volgende in te voeg:

''(h) Jaargeld, betaalbaar nie later as 1 Februarie nie deur aptekers wat hulle verpligte militêre opleiding vir 'n tydperk van twee jaar ondergaan: R60.'';

(b) in regulasie 3 (2) (a) die uitdrukking ''R40'' deur die uitdrukking ''R60'' te vervang.

DEPARTMENT OF POSTS AND TELECOMMUNICATIONS

No. R. 2263 **31 October 1986**

AMENDMENT OF THE TELECOMMUNICATION REGULATIONS

The Minister of Communications and of Public Works has, under section 119A (1) (g) of the Post Office Act, 1958 (Act 44 of 1958), made the regulations in the schedule.

SCHEDULE

1.0 In this Schedule, unless the context indicates otherwise, the expression ''the Regulations'' means the Telecommunication Regulations published under Government Notice R. 1191 of 1 July 1977, as amended by Government Notices R. 2000 of 30 September 1977, R. 2119 of 21 October 1977, R. 13 of 5 January 1979, R. 2329 of 19 October 1979, R. 903 of 24 April 1981, R. 2841 of 31 December 1981, R. 365 of 26 February 1982, R. 2417 of 12 November 1982, R. 367 of 18 February 1983, R. 740 of 15 April 1983, R. 2790 of 23 December 1983, R. 740 of 13 April 1984, R. 983 of 18 May 1984, R. 333 of 28 February 1986, R. 506 of 21 March 1986 and R. 1410 of 4 July 1986.

DEPARTEMENT VAN POS- EN TELEKOMMUNIKASIEWESE

No. R. 2263 **31 Oktober 1986**

WYSIGING VAN DIE TELEKOMMUNIKASIE-REGULASIES

Die Minister van Kommunikasie en van Openbare Werke het kragtens artikel 119A (1) (g) van die Poswet, 1958 (Wet 44 van 1958), die regulasies in die bylae gemaak.

BYLAE

1.0 Tensy die samehang anders aantoon, beteken die uitdrukking ''die Regulasies'' in hierdie bylae die Telekommunikasieregulasies afgekondig by Goewermentskennisgewing R. 1191 van 1 Julie 1977, soos gewysig deur Goewermentskennisgewings R. 2000 van 30 September 1977, R. 2119 van 21 Oktober 1977, R. 13 van 5 Januarie 1979, R. 2329 van 19 Oktober 1979, R. 903 van 24 April 1981, R. 2841 van 31 Desember 1981, R. 365 van 26 Februarie 1982, R. 2417 van 12 November 1982, R. 367 van 18 Februarie 1983, R. 740 van 15 April 1983, R. 2790 van 23 Desember 1983, R. 740 van 13 April 1984, R. 983 van 18 Mei 1984, R. 333 van 28 Februarie 1986, R. 506 van 21 Maart 1986 en R. 1410 van 4 Julie 1986.

SMM 12/11/86

Medical Association slams 'self medication' scheme

Own Correspondent

CAPE TOWN — A "self medication" scheme introduced by the Pharmaceutical Society of South Africa has been criticised by a committee of the Medical Association of South Africa.

The scheme is based on "self diagnosis by the patient in an attempt to save medical aid societies' money by allowing the patient to pay for medicines recommended by the pharmacist for minor ailments," according to the Pharmaceutical Society president Mr Gus Ferguson. He said there was "nothing new in this practice".

But the Medical Association committee said pharmacists were neither qualified nor permitted to make a diagnosis on which to base the prescribing of medicine.

There were inherent dangers in such a scheme because, for example, a headache could be indicative of meningitis.

The matter would be brought to the urgent attention of the executive committee of the Medical Association, the committee said.

Mr Ferguson said: "Pharmacists daily recommend and sell medicines to the public for specific complaints diagnosed by them and in very many cases pharmacists refer patients to doctors.

"Although the public buys medicines for minor ailments, they are reluctant to do so if they belong to a medical aid society because medical aid will pay if the medicine is prescribed by a doctor."

In terms of the Pharmacy Act "specially pertaining to the profession of pharmacists" a pharmacist may "furnish advice to any person with regard to any medicine supplied to him", Mr Ferguson said.

"There is no mention made in the self medication scheme of diagnosis by the pharmacist."

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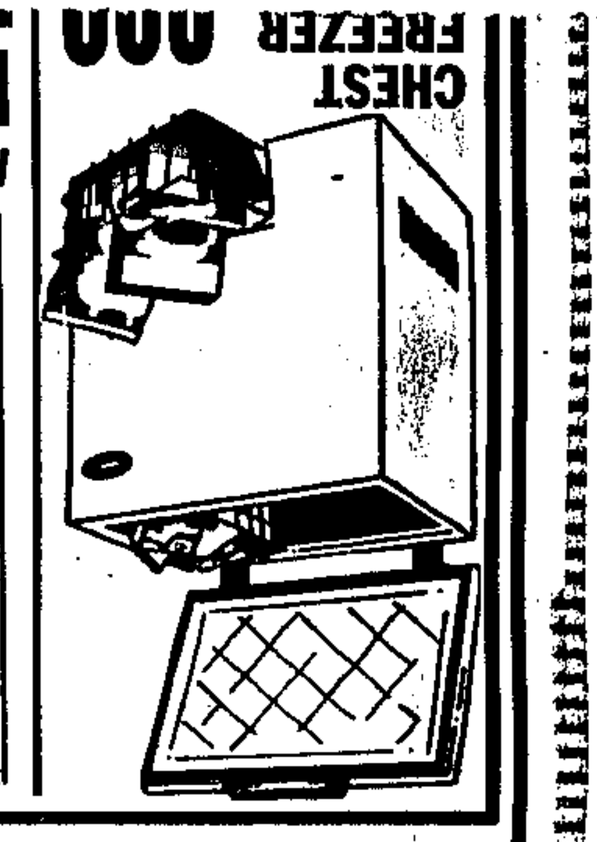
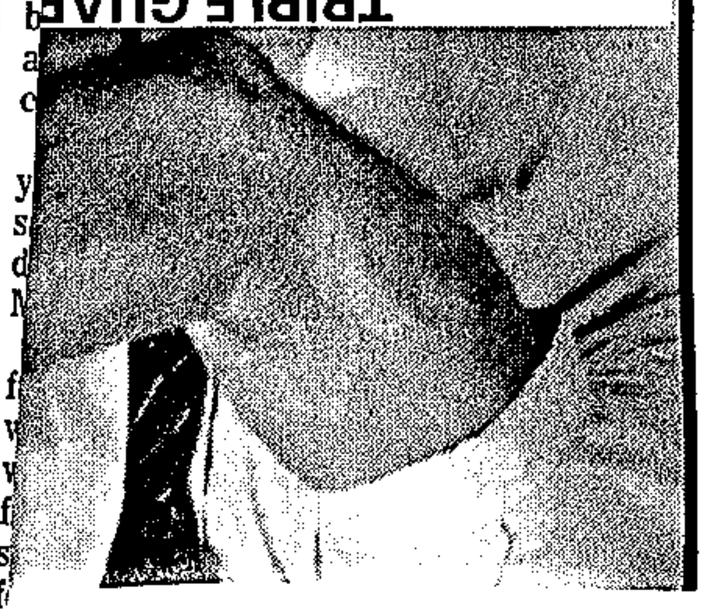




Eve Post 26/11/81 **

Govt to curb rising drug costs

PRETORIA — The Government has undertaken to do all it can to curb the rise in the cost of pharmaceutical services.

This was one response in a White Paper on the Browne Commission report.

● The Government also agreed to the establishment of a central co-ordinating authority and that the State's system of buying, storing and distributing of medicines should be revised.

● A recommendation that contributions by "non-white" members of racially mixed medical aid schemes should, on the basis of claims experience, be less than those of whites, has been rejected.

The principle of differentiated membership fees based on claims experience should apply to all population groups — "because the Governent cannot allow one population group to be discriminated against at the expense of another", Health Minister Dr Willie van Niekerk told a Press conference.

The White Paper also rejected a recommendation that State-subsidised medical aid schemes should be established for elderly people who did not have a fixed income or pension.

● However, it supported recommendations that over-utilisation of medical schemes should be curbed, and agreed with proposed disincentives, which should be left to the schemes themselves to devise, "preferably by means of financial control". — Sapa

'No prescriptions profits'

GERALD REILLY

THE Competition Board has recommended to government that profits on prescription medicines by pharmacists and doctors be prohibited.

It was also urgently necessary that a remuneration package be developed by pharmacists for professional dispensing, a board spokesman said at the weekend.

The board recommended that the ethical code of conduct, which regulates pharmacists, be adapted so advertisements and canvassing for business should not be seen as unethical.

This recommendation was made, the spokesman said, in the belief that the public interest would not be served by limitations which inhibited competition between pharmacists.

HEALTH & DISEASE - PHARMACISTS

1984

MARCH — NOV

Tighten belts, chemists warned

Mercury Reporter

MEDICINE prices will have to drop by the end of the year because medical aid societies cannot cope with the high costs incurred by members.

To do this, manufacturers, wholesalers and pharmacists will have to 'pull their belts in' and reduce medicine costs to encourage those who are on medical aid, but who cannot afford current costs and use provincial facilities instead, to return to the private sector.

This was said yesterday by Mr Sid Hurwitz, vice-president of the National Wholesale Drug Association and managing director of South African Druggists, one of the country's biggest medicine wholesalers.

He was reacting to the controversy surrounding a call by the South African Association of Retail Pharmacists for a change in the Government tender system for medicine.

They have said the Government is paying ridiculously low prices for medicines and that those buying medicines in the private sector are being forced to subsidise the low costs.

Only 15% of the population get their medicines in the private sector and, says Mr Hurwitz, a large number of people, mainly elderly, need long-term therapy.

He said that if they bought their medicines in the private sector their medical aid allowance would be used up within a month or two. These were the people who needed to be enticed back into the private sector with lower prices.

'If prices were lowered these people would be encouraged to come back into the market. Understandably pharmacists are nervous to

● TURN TO PAGE 2

Tighten your belts, pharmacists warned

● FROM PAGE 1

drop their prices and hope — legislation prevents them from advertising — but if more people came into the sector the prices would be kept down and it would still pay.

'The Government should send these people out, back into the market, and spread the burden more evenly. At the moment the State caters for almost 60% of the population,' he said.

Subsidies

Discussions, formal and informal, had taken place within the industry and Government, said Mr Hurwitz, and the privatisation of the facilities now provided by the Government was a distinct possibility.

A source who has attended the talks told the Mercury the Government had virtually told the private sector: 'You take it over and administer it and we will help with subsidies for the poor.'

Changing the tender system currently applied by Government would not help, said Mr Hurwitz, because 'the consumer would simply have to foot the bill again with a bigger tax bill'.

But a highly placed source based in Natal and an official within the public (hospitals) sector has said South African pharmacists mark up medicines by 50% before selling them to the public, and then also charge for 'professional duties' when asked to fill out a prescription.

And, he claims, their profit margin, and fees charged for 'reading' a prescription, are considerably higher than anywhere else in the Western world.

'They (pharmacists) are complaining about the medicine prices paid by the Government simply because they want a bigger slice of the pie.'

'It is the Government's responsibility to provide medicine to those who cannot afford it. Whichever way the system is changed, taxes will simply have to be bumped up to pay for everything.

'Already a healthy slice of everyone's taxes goes towards paying for provincial medical services. It is a case of the rich paying for the poor,' the source said.

In this country manufacturers arrive at a price for their product after having calculated the cost of research, time and production and, at times, import costs. Then they include a profit margin and this is the price they eventually charge the wholesale distributor.

The wholesale distributer adds on 17% and then delivers the medicine to the retail pharmacist.

The retailer applies a further 50% mark-up, and if the medicine is bought on prescription, a 'professional duty' fee per item is also levied.

Although the days when pharmacists actually made up the medicines are largely over, this charge is levied for their recording the medicine and amount given, putting the pills into a separate container and then telling patients how to take it.

Mark-ups

In the United States the wholesale distributor has a mark-up of about 10%. The profit-margin increase from retail pharmacy to the public is about 25%.

These mark-ups are even lower in other Western countries.

According to the source the tender prices paid by the Government are low because generic medicines (the equivalent of a patented medicine which is copied and marketed by 'pirate' companies once the patent lapses) are bought on a large scale.

Because the cost of research and testing does not have to be built into the medicines produced by the 'pirate' companies, theirs are a lot cheaper.

Rhodes publishes booklet on the hazards of drug-taking

(96)

EPost 30/3/87

GRAHAMSTOWN — The Pharmacists Against Drug Abuse (PADA) team at the school of pharmaceutical sciences at Rhodes University, Grahamstown, have produced a booklet entitled "The Hazards of Drug Taking".

This was originally produced for distribution to students at the university but is now available to members of the public and schools.

"The publication is an adaptation of a booklet published by the University of the Witwatersrand," said Mr Eric Meyer, a lecturer in pharmacy and co-ordinator of the Rhodes PADA team.

"In 1979 they gave us permission to publish a revised version of their material. This edition has been further revised by the Rhodes PADA team."

The booklet discusses the nature of drugs, describes those which are potentially dangerous and discusses the dangers, pointing out that all drugs, if misused or abused, can cause physical damage.

For example, aspirin can cause bleeding from the stomach.

Doctors' position could be affected

Pharmacists urge registration of dispensing outlets

A MOTION calling for registration of all dispensing outlets under a single controlling body was approved at the Pharmaceutical Society of SA conference in Durban yesterday.

The move, which has been resisted in the past by some sectors of the medical profession, was an endorsement of recommendations made by the Browne Commission.

The motion also urged, in the public interest, that all such facilities be subject to the same regulations.

The society said in a statement it was

MICK COLLINS

generally accepted that the controlling body should be the Pharmacy Council and that the mechanics of implementation should be addressed as quickly as possible.

The decision could affect the position of the dispensing doctor, requiring him to register with the Pharmacy Council.

"This would rationalise the dispensing of medicines in such circumstances. It would place the emphasis on dispensing in the area of the pharmacist, enabling the doctor to concentrate on diagnosis and preventive health-care."

Such a change would not affect the position of the remote rural clinic that has neither a pharmacist nor GP.

Speaking at an earlier session, Pharmacy Council president Kosie van Zyl said the decisions taken during the conference would mean the profession could look to the future with confidence.

"Or else, within a few years, pharmacy as we know it will have ceased to exist, with consequent massive unemployment throughout the profession."

He said it would be futile to try to divorce pharmacy from its commercial environment.

This was one of the reasons the council could not agree with the Competition Board's suggestion that the advertising of scheduled medicines and the professional services of the pharmacist should be allowed in order to promote greater competition between pharmacists.

The council was not convinced that such a system would have any effect on the cost of medicines. It would also bring about unnecessary, and distasteful, disruptive practices.

Van Zyl said the pharmacist's future would be determined by the success with which he contributed towards better health-care. This would be dictated largely by the public's perception of the pharmacist as the expert on medicines.

(96) SAMJ 20/5/87

Pharmacies 'will sicken if medical schemes move in'

DURBAN — Proposals that medical schemes consider setting up their own dispensaries have been strongly opposed by pharmacists.

Mr Willie Kock, vice-president of the Pharmaceutical Society of South Africa, told the society's annual conference here yesterday the "ill-considered" proposal could destroy the country's retail pharmacy infrastructure.

The idea that medical schemes consider expanding their services by running private hospitals and dispensaries is one of several changes advocated by the recent Browne Commission report.

Said Mr Kock: "Fortunately, the Government has pointed out that the opening of such pharmacies would contravene the Pharmacy Act."

He said the Browne Commission report contained several positive proposals.

But Mr Kock added: "If pharmacies are assumed to cater mainly for the white population, and it is accepted about 80 percent of this group are on medical aid, it follows that if the opening of pharmacies by medical aids was permitted, it would probably destroy the retail pharmacy infrastructure.

"Why is an unnecessary duplication of facilities being advocated? Were the implications thought out carefully? Will this be of benefit to the public?"

Mr Kock asked why pharmacists were still being trained if, as a cost-saving exercise, the proposal to bypass the pharmacy profession was still mooted.

Medical aim schemes provided health insurance and "had no right" to enter the pharmaceutical service field. — Sapa.

Pharmacist: mark-ups singled out

DURBAN — Mark-ups by the pharmaceutical profession appear to have been singled out for special scrutiny in a government-appointed commission of inquiry into health.

This was said yesterday by Mr Willie Kock, vice-president of the Pharmaceutical Society of South Africa, during a discussion on recommendations made by the recent Browne Commission report.

Mr Kock said he believed it was worth noting that there was only one retail pharmacist represented on the commission made up mainly of doctors.

The overriding aspect of the report was the issue of costs and cost-containment, but it seemed the commission may have ignored some aspects that contributed to high costs.

"All aspects of his mark-ups are scrutinised; yet there is no equivalent chapter on doctors or other health professionals.

"Why was this apparently important aspect omitted?" he asked. — Sapa.

Pharmacists are fighting drug abuse

MICK COLLINS

PHARMACISTS were engaged in a major war against drug abuse, Pharmacists Against Drug Abuse (Pada) chairman Debbie Cruickshank said in Durban yesterday.

She told a Pharmaceutical Society of SA (PSSA) conference that about 25% of all teenagers in SA used illegal drugs, but the industry was actively fighting the menace.

Cruickshank said pharmacists had experienced the impact of abuse through the theft of drugs from pharmacies and some, even within their own families.

She said: "Strong support has been received from the industry. There are now more than 300 pharmacists engaged in speaking about drug abuse in schools, trade-shops, churches and the army."

Conference delegates endorsed a policy of education rather than stringent control as a major deterrent against drug abuse. It was agreed to appoint sub-committees and individuals to work in support of the Pada campaign.

Move to have certain drugs de-scheduled

Own Correspondent

CERTAIN scheduled drugs — including oral contraceptives, antibiotics, and anti-hypertension drugs — could soon become available without a doctor's prescription, if the Medicines Control Council (MCC) approves recommendations by the Browne Commission.

The commission, which was appointed by government to examine areas of the health service, has recommended the MCC review its scheduling policy to give pharmacists more discretion in the supply of certain S3 and S4 medicines.

Yesterday, delegates attending the Pharmaceutical Society of SA conference in Durban passed a motion urging the MCC to implement descheduling, or to give pharmacists access to these medicines under certain conditions.

The schedules cover medicines such as antibiotics, anti-inflammatory preparations, oral contraceptives, anti-hypertension drugs and diabetes-alleviation preparations.

Delegates agreed the move would enable pharmacists to exercise their professional judgment more freely.

...given leave to ap- ... the time they would have started stripping the car ... parts as ... Council for the ... boxers. Bob Allotey, Dave Love,

High-profile pharmacists

(96)

OVER R1-million will be spent this year on a Pharmacists' Professional Awareness Campaign, Neville Lyne, PPAC chairman, said this week at the Pharmaceutical Society Conference being held in Durban.

PPAC members comprise the South African Association of Retail Pharmacists, the Pharmaceutical Society of South Africa, the four major pharmaceutical chains – Bonus, Family Circle, Link and Plus – and members of the National Wholesale Drug Association.

Justifying this investment in publicity, Lyne said the campaign was directed at the 16 to 35 age group, particularly young mothers.The publicity campaign was also directed at blacks, Lyne added.

He said there were over 10 000 medicines on the market.

Only rarely had blacks enjoyed easy access to the retail pharmacy.

In the main, blacks' health-care needs were satisfied by State and provincial hospitals, which also dispensed medicines.

It was clear that action was needed to educate members of the public, said Lyne.

The PPAC campaign budget is concentrated on television, women's magazines and radio. – Sapa.

THE leader of the Rhema Church in Swaziland, Pa... Rh...

Cream ban fears

JSE pharmaceutical group Alex Lipworth is not about to suffer significant losses as a result of a ban on skin lightening products.

Chairman Solly Krok said last night the issue was not whether government would ban skin lightening products, but rather that it may eliminate the use of depigmentary ingredients used in skin lighteners.

He was responding to a Reuters report yesterday that Alex Lipworth director Abe Krok had warned profits would drop by between 40% and 50% if authorities "totally banned sales".

CHERILYN IRETON

Solly Krok said there was little chance skin lightening products, brand names or trade marks would be barred and that government was only being pressurised to eliminate the use of hydroquinone and other active depigmentary ingredients.

"If the draft legislation goes through — which I doubt — we will substitute the allegedly harmful ingredient with one of the others we have patented," he said.

Bitter pill for pharmacists to take

HELOISE HENNING

PHARMACISTS object to the suggestion that deregulation be applied to their industry by "opening" the Pharmacy Act to allow non-pharmacists to own retail pharmacies.

Contenders believe the price of medicines are artificially high because of a protectionist cartel by the profession. Pharmacists, they say, have priced themselves out of the market and will be the downfall not only of retail pharmacy but also of medical aid societies.

The Act was in fact "closed" in 1974, leaving only a "Grandpa-clause" that provided that any retail pharmacy owned by a non-pharmacist before the Act had to be sold to a qualified pharmacist.

In an effort to end the protracted argument, Pharmaceutical Society of SA (PSSA) executive director Boet van der Merwe has issued a statement pointing out the vital role the pharmacist had to play as a health professional.

He also objected to the idea of a pharmacist being employed by a supermarket or that a pharmacy be run by a medical aid society, because this was clearly only a desire to get at the profits. Pharmacists objected to interference. Their objective was to be caretakers and distributors of medicine in terms of storage and correct application for individual patients.

Perry and Associates business consultants' senior partner Tony van der Schyff said that while there was an increasing demand for medicine in the retail sector because of privatisation in medical services, pharmacists were limiting their growth because they had not restructured pricing.

Although there is no retail price maintenance on medicines, the mark-up is generally 50%. Under law, pharmacists are allowed a dispensing fee, an after hours fee and an additional 10% fee on broken bulk. Van der Merwe said the PSSA were looking into separating the cost of medicine from remuneration.

This matter has been on the SA Pharmacy Council's agenda since 1983, when it was referred to the PSSA to look into price restructuring. The council agree that profit on medicine should be abolished, said Registrar of the Council Pieter Traut.

Recently the Competition Board suggested the PSSA, who horizontally fix prices, be exempt from the prohibition of horizontal price collusion until end 1988. It would be in their own interest to act before the Competition Board did so, analysts say.

Pharmacists should accept a lower profit margin, because they would then be able to gain through increasing number of black medical aid schemes.

Van der Schyff said the retail pharmacy has for years been aware of the implications of keeping the price of medicines high.

"They are responsible for their own demise. They are treating the symptoms while the real reason is bad retail management through unrealistic pricing policy."

the library. They never returned. or the family home ☎ 932 1053.

Pharmacists say they are 'misunderstood'

Medical Reporter

PHARMACISTS and their role in the health care chain are misunderstood, says the Pharmaceutical Association of South Africa's executive director Mr Boet van der Merwe.

The society has issued a statement to stop "prolonged wrangling over the role of the pharmacist".

Pharmacists were trained in pharmacotherapeutics (the treatment of disease with medicine and the interaction of food and medicine) and pharmacologistics (the distribution, packaging and storing of medicines), while doctors had "little opportunity" to study these subjects in detail, Mr van der Merwe said.

The "explosion of information" made it impossible for doctors to practise pharmacy and medicine successfully. One discipline would suffer.

A post-war "prepackaged medicine explosion" meant pharmacists no longer spent time making up prescriptions from many ingredients.

More than 10 000 medicines were available in South Africa — many with overlapping ingredients and effects.

Incorrect prescribing and errors in dosage could and did happen.

The pharmacist was a second "professional eye" protecting the patient.

Pharmacists were finding it "exceedingly difficult" to maintain "reasonable turnover" from dispensing and were forced to stock "front-of-house" items.

Ever-increasing purchases of drugs by the state, dispensed through hospitals and clinics, and the dramatic increase in the number of dispensing doctors was further eroding incomes.

The privatisation of health services would be welcomed.

The society frowned on doctors dispensing drugs purely for gain.

PHARMACISTS

A profession under siege

The South African pharmacist enjoys a significant degree of independence. But with the need for cost containment, businessmen, academics and doctors are all arguing that pharmacists should be employed by medical aid schemes and even supermarkets. The profession is fighting this tooth and nail.

Think of a pharmacist, and what do you get? Perhaps the hoary image of a "chemist" with his mortar and pestle, his chemicals and divinations of doctors' spidery prescriptions. Or perhaps, more simply, a small retailer flogging anything from shaving cream to condoms to plastic toys, turning a tidy profit while he's about it; oh — and from time to time he dispenses pills by taking them from a big bottle and putting them in a smaller one, for which he charges a whacking fee. And for this four years of study are necessary? One thing is certain: the image and status of the pharmaceutical profession are shaky and open to question. What are the issues?

The role of the pharmacist has adapted considerably with technological change. In pre-war days pharmacists spent much of their time making up prescriptions from many ingredients. But then — about 20 years ago — came the pre-packaged medicine explosion, and with it the change from chemist to retailer.

But any argument that the chemist has ceased to be a fully-fledged professional meets with (understandable) resistance from pharmacists themselves. Executive director of the Pharmaceutical Society of SA Boet van der Merwe puts the issue like this: "There are over 10 000 medicines available in SA today — many of which incorporate overlapping ingredients and effects. The prescribing of several such medicines without an adequate understanding of their potential interactions could prove disastrous. And the pharmacist is the only central record-keeper who can monitor a patient's full dosing spectrum, whether from GPs, dentists or specialists."

But what if there were to be deregulation of the retail pharmaceutical sector? That would meet with even more heightened resistance. In truth, pharmacists are a highly protected species. Under the 1974 Pharmacy Act, section 22A, only a pharmacist may own all or part of a retail pharmacy. He may not be employed for gain either by a doctor, a medical aid society or a commercial enterprise. One result has been steeply rising drug costs.

Dr John Cowlin, who has submitted to the Department of Health research on alternative methods of health care, argues that the law should be amended to enable pharmaceutical costs to be brought down: "Over 25% of medical aid costs is absorbed by drugs, representing over R600m in claims. The societies have to pay for mark-ups all along the line. Wholesalers mark up 17,5% on prices charged to them by manufacturers; the retailer then marks up not less than 50%, can charge a dispensing fee of R1,20 per item, and a broken bulk surcharge of 10%.

"If a medical aid society could run their own dispensaries, as the Browne Commission suggests, and could get medicines direct from the wholesaler — or, ideally, the manufacturer — the savings would be enormous.

"The Mines Benefit Society told me they could save R12m if they employed their own pharmacists."

Cowlin says even the dispensing doctor, whether he operates from a rural area, or, in increasing numbers, in urban areas, can't get drugs directly from the manufacturer: "Although price maintenance was abolished more than two years ago, there is an informal agreement that the wholesaler will be involved in every purchase of medicines."

In any case the pharmaceutical industry is unimpressed by the claims of dispensing doctors. Allied Pharmaceuticals MD Graham Clark says doctors are the only source of medicines in some rural areas, so he's happy to see them continue to dispense. But if a pharmacist was present in the area, this function would fall away. It would be dangerous to make a doctor all-powerful with one pen: "A pharmacist has to give the patient what the doctor's prescribed, and isn't influenced by price. But a doctor who gave his own drugs would naturally tend to dispense the drugs which provided him with the most profit. Also, the chances are that he wouldn't, for example, stock all the 50-odd antibiotics on the market, but could claim he had learnt a few drugs well. The possibilities for abuse — with a drug company pushing its products on the doctor's shelves — are immense."

A survey by the Wits Business Economics Research Group shows that a clear majority of consumers in all race groups would prefer to receive medicines directly from a doctor rather than a retail pharmacist. This was as high as 89% among Asians, 87,7% among coloureds, 77,5% among blacks and 59,9% among whites.

Earlier this year the Browne Commission recommended sweeping changes in the pharmaceutical sector; and so the future role of the pharmacist has come under close scrutiny. The report recommended measures to make the industry more market-orientated.

Clark believes the aim of a free market has little application to his profession. "Our role is to supply medicines to the public and to educate them in primary health care; and quality must be the primary objective, not pure economics. That's why we're against having pharmacists employed by commercial retail outlets. If medical aids were allowed to employ their own pharmacists it would cut the number of retail pharmacies by at least 50%. What kind of a free market would it be if there was no freedom of choice?

"Medical aids could save far more if doctors were more cost-conscious in their prescriptions than they could ever be by opening their own dispensaries."

But the executive director of the Pharmaceutical Manufacturers' Association (PMA), John Toerien, argues that it's time for more aggressive competition in the industry. The PMA recommends that:

- ☐ Pharmacists should be allowed to advertise the price of their medicines, both over the counter (OTC) and prescription; and
- ☐ They should be allowed to adjust mark-ups either to meet patient needs, or to offer competitive prices to medical aid schemes.

According to Toerien: "Currently, 80% of medicines by volume are sold directly by manufacturers to State Tender Boards who purchase drugs on behalf of provincial hospitals and clinics. If retailers could sell medicines to government competitively, then we would be very happy to see their role grow. The pharmacist would also be able to compete with the dispensing doctor and, in the long run, costs would be contained without hindering their own viability."

Wits Professor of Business Economics Duncan Reekie argues that the present distribution system of retail pharmacies offers consumers virtually no significant choice, and forces them to accept high prices and almost total uniformity of pharmacy service.

Cowlin's partner, Dr Danie Jacobs, says pharmacists have often not lived up to their claims of professionalism: "If they're professionals, then why are they allowed to advertise on a medium as powerful as TV? If they're true to their claims, they should stick purely to dispensing medicines and not compete with Pick 'n Pay and the OK by selling camera film, pantihose, sweets, and even jewellery."

But, as Reekie points out, pharmacists have not proved to be good businessmen. In SA, the market share of toiletries in pharmacies, as opposed to general stores, declined from 15,4% in 1983 to 12,8% in 1985 and shows no sign of being reversed.

To help make up for this, pharmacists charge higher prices for OTC medicines — and this currently averages at 3,5 times more than general stores.

One argument is that retail chains should be allowed to employ their own pharmacists. Checkers MD Clive Weil says chains could do the job of distributing to the public more efficiently as there would be economies of scale. And, since shoppers like to do their shopping in one place, logically speaking they should be able to purchase medicines at properly supervised outlets in supermarkets.

Weil says: "I sympathise with those pharmacists who want a degree of protection for now — but I can't accept that they should be protected forever."

So what of the non-retailing function of pharmacists? Much controversy is brewing between the medical and pharmaceutical professions on the subject of primary health care. Clark says pharmacists could have an important role to play, particularly in the black community, as they could give OTC advice for minor ailments — "but they'll only continue to give this if they are sufficiently remunerated."

Cowlin is adamant that pharmacists aren't trained to give medical advice, and that sometimes their advice can be dangerous. "It is illegal for an untrained person to give medical advice for money," he notes.

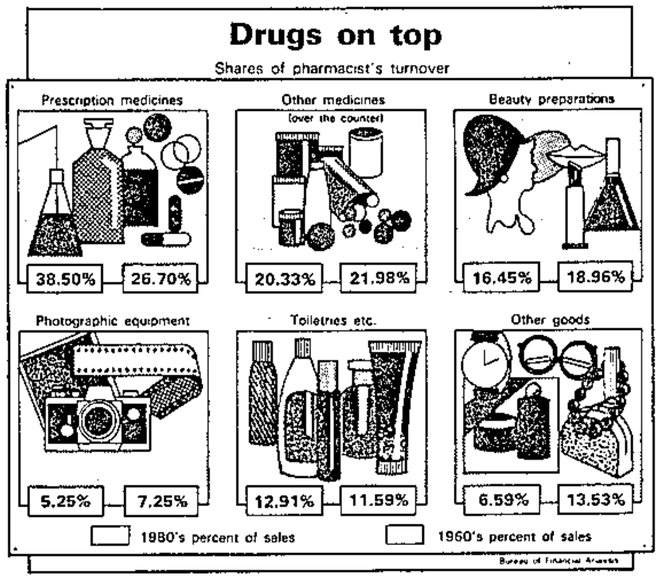
Van der Merwe says that due to the GP's extensive clinical training in an already overcrowded course, there is little opportunity for pharmaceutical study to the same level as a pharmacist: "The accelerating explosion of pharmaceutical information made it impossible for the GP to practise the two professions of pharmacy and medicine with any degree of success. One discipline would suffer at the expense of the other."

Cowlin admits pharmacists can't disappear altogether: "Many drugs are dangerous and addictive. They must be handled by professionals. But why can't pharmacists be part of a health team and work with doctors?"

According to Reekie, the only options open to the pharmacist, to combat a somewhat dismal future, are to either become a competitive member of the retailing fraternity, or to become an advisory member of the health care team. Van der Merwe agrees that the health team idea is very promising, but says he would only accept it if it was a genuine partnership and the pharmacist was not subservient to the doctor.

Yet in SA there are four times as many pharmacists per doctor than in the UK — and they are disproportionately concentrated in affluent white areas. With over 400 pharmacy graduates coming out of the country's universities every year, they should spread into black areas and learn to bring down medical costs by adopting a more competitive stance.

Otherwise the constantly growing cartel will become an inefficient and expensive burden on the health care sector — if it has not already done so. ■



FM 4/8/87

Not under siege at all

Sir — "A profession under siege" (*Leaders* July 24) contained three important inaccuracies which need to be corrected:

☐ The ratio of pharmacists to doctors in SA closely matches that of the UK. In your article it was claimed that "there are four times as many pharmacists per doctor than in the UK." This is wholly untrue. The figures for December 1986 are: UK doctors: 129 000; UK pharmacists: 36 000; ratio: 3,58. SA doctors: 20 229; SA pharmacists: 7 515; ratio: 2,69;

☐ The price of OTC medicines — and by this we mean patent medicines — averages about 10% higher than those in major supermarket outlets. That 10% is the "convenience factor" of buying from a neighbourhood pharmacy, and takes into account the higher distribution costs. Prices, of course, vary from pharmacy to pharmacy as they do from supermarket to supermarket. It is untrue to claim, as your article does, that "OTC medicine . . . currently averages at 3,5 times more than general stores;" and

☐ A recent definitive survey on pharmacy in SA, now in the possession of the society, reveals that 50% of blacks and 80% of whites buy, and prefer to buy, their medicines from the pharmacist.

There is a marked trend towards blacks buying their medicines from pharmacists and this will continue as the number of blacks joining medical schemes accelerates. With the greatest of respect to the Wits Business Economics research group figures referred to in your article, the claim that "a clear majority of consumers in all race groups would prefer to receive medicines directly from a doctor" is just not acceptable.

Boet van der Merwe, executive director, Pharmaceutical Society of SA.

Doctors may be next as police force chemists to follow the 48-hour law

THE high cost of getting sick is set to jump again after a police crackdown on pharmacists for ignoring the law on telephone prescriptions.

Outcome of a nine-month police probe has led to 14 Johannesburg pharmacists being charged under the Medicines and Related Substances Control Act for flouting the 48-hour limit on dispensing Schedule 5 drugs — mostly sleeping pills, pain killers and tranquillisers.

But, say pharmacists, the law in this case is an ass.

Sticking to the letter of the law — as pharmacists are widely expected to do now — will further hike health care costs to the public.

In the past, all pharmacists and doctors have ignored the 48-hour rule on Schedule 5 drugs and have given patients prescriptions for periods of up to a month.

This has saved patients from higher dispensing costs and, in some cases, consultation fees for a repeat prescription.

Afraid

It is believed nearly a quarter of all drugs prescribed by general practioners are on the Schedule 5 list.

Said Pharmacy Council past president Graham Clark: "The police operation has scared a lot of pharmacists.

"They will now stick to the letter of the law to the absolute detriment of their customers.

"It appears there were no allegations of misconduct or abuse on the part of the pharmacists. They just breached the law on a technicality."

By HAMISH MCINDOE

Clark made clear that the biggest problem facing pharmacists are forged or stolen prescriptions.

"Under the law, the doctor must know the pharmacist before issuing a telephone prescription. This virtually rules out all abuse."

It is now widely rumoured that the police crackdown on pharmacists will be extended to doctors.

Johannesburg police would not comment on this possibilty.

Said the chairman of the Pharmacy Society's Southern Transvaal Branch, Jack Bloom: "The law as it exists is a total pain and definitely not in the public's interest. For the pharmacists, it just means more paper work."

Exactly what sparked the police probe is not clear, but observers believe the flouting of the 48-hour limit was uncovered during an investigation into the Police Medical Aid fund late last year.

Mystery

The Pharmacy Council — a statutory body — believes the law must be changed.

A three-year-old draft Bill to revamp parts of the Medicines and Related Substances Control Act are still sitting in the parliamentary pipeline.

Said Bloom: "Frankly, I don't think the Government department responsible for the draft Bill could find it today even if they wanted to."

In February, further proposals were submitted to the Medical Control Council to get parts of the Act amended.

Said acting Pharmacy Council registrar Dan Naude: "We asked that Schedule 5 drugs be given for periods of more than 48 hours provided that both the doctor and patient is known to the pharmacist."

The 14 charged pharmacists must now pay an admission-of-guilt fine of R100 per count or go to court and argue their cases.

Pharmacy circles hope that some of the charged will go to court. A test case might help to get the law changed.

Said Bloom: "But we are very worried they want to make an example ouf of some pharmacists."

to the latest specified date for which information is available, (b) what are their names and (c) from which countries did they come;

(2) whether these visitors were afforded the opportunity of meeting members of the official opposition in this House; if not, why not?

The DEPUTY MINISTER OF INFORMATION:

(1) (a) The Bureau for Information handles guests of the Department of Foreign Affairs on an agency basis. 183 Guests of the Department of Foreign Affairs were received between 7 May 1987 and 30 September 1987 in this way by the Bureau.

(b) It is not the policy of the Bureau to divulge the names of guests without their approval.

(c) It is not in the interest of the RSA to name individual countries.

(2) It is practice to arrange interviews with members of political parties from all three Houses of Parliament. From time to time appointments cannot be arranged with members of all political parties as the representative of a specific party is not available or the itinerary of the guest does not permit it.

Aircraft on charter: maintenance

548. Mr C J DERBY-LEWIS asked the Minister of Transport Affairs:

Whether technical personnel of the South African Airways are responsible for the maintenance of Airways aircraft while they are on charter to other airlines or countries; if not, what steps are taken to ensure that such aircraft are returned in the condition in which they were when they were chartered out?

The MINISTER OF TRANSPORT AFFAIRS:

The situation regarding the maintenance of leased aircraft varies from contract to contract.

The airline leasing the aircraft is contractually responsible for ensuring that the maintenance work is performed in terms of the airworthiness requirements of the country where the aircraft is registered.

When the lease period expires the lessee of the aircraft must return the aircraft in technically the same maintenance condition as at the outset of the lease period.

Gold

549. Mr C J DERBY-LEWIS asked the Minister of Finance:

(1) Whether the South African Reserve Bank is responsible for the marketing of South Africa's gold; if not,

(2) whether he will furnish the names of the organisations responsible for such marketing; if not, why not; if so, (a) what are their names and (b) with effect from what date has each been permitted to engage in such marketing?

The MINISTER OF FINANCE:

(1) Yes.

(2) Falls away.

Officials working overtime

550. Mr C J DERBY-LEWIS asked the Minister of Communications:

(1) Whether any officials of his Department are required to work overtime without being compensated for doing so; if so, (a) what are the relevant details, (b) since when has this policy been in force and (c) what acknowledgement do the officials concerned receive for working overtime on this basis;

(2) whether this procedure has led to any savings in terms of posts; if so, what savings?

The MINISTER OF COMMUNICATIONS:

(1) and (2) In the event of officials being called upon to work longer than their prescribed weekly hours of attendance, e.g. during periods of staff shortages, absences, and seasonal increases in work, they are remunerated at prescribed overtime rates. Situations arise, however, where officials perform extra duty of their own accord without expecting payment for the extra hours worked. During the debate on the Post Office budget earlier this year, I gave credit to the staff for their valuable contribution towards keeping operational expenditure as low as possible. It is impractical without an extensive and protracted investigation to determine the savings in terms of posts.

Redundant naval vessels

551. Mr C J DERBY-LEWIS asked the Minister of Defence:

(1) Whether any redundant naval vessels are being scrapped or about to be scrapped; if so, (a) why, (b) when and (c) how many;

(2) whether any consideration has been given to allocating these vessels to Citizen Force naval units; if not, why not; if so,

(3) whether the South African Defence Force have investigated the possibility of these vessels being used and maintained by Citizen Force naval units without any additional expense being incurred for the Defence Force; if not, why not; if so, what were the findings?

The MINISTER OF DEFENCE:

(1) Yes.

(a) As a result of limited capital and running costs, and also manpower and especially logistic support capability, the battle order of the SA Navy has been reviewed and it was decided to dispose of redundant and obsolescent platforms.

(b) Approval in principal was given on 4 December 1985. The disposal has already commenced but the phasing out will still take a considerable time.

(c) Fourteen.

(2) No. As a result of the age and obsolete technology of the vessels continued logistical support would have been very problematical and in conflict with the decision to dispose of the vessels.

(3) Falls away.

Pharmacies/doctors: subsidization

552. Mr H J COETZEE asked the Minister of National Health and Population Development:†

(1) Whether the State subsidizes (a) private pharmacies and (b) doctors in private practice in respect of (i) medicines supplied and (ii) medical services rendered to pensioners; if so, up to what amount, in each case; if not, why not;

(2) whether he will make a statement on the matter?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

(1) (a) No.

(b) (i) No.

(ii) Doctors in private practice appointed as part-time District Surgeons attend *inter alia* to pensioners (all race groups) and are reimbursed for medicine supplied to above mentioned patients for *minor ailments*.

The procedures followed in the 4 Provinces are basically very similar, but differ in detail only, for example:

Transvaal

An amount of R4,50 for medicine is paid per consultation.

Cape

An amount of R5,00 is paid for medicine per consultation.

OFS

An amount of R5,04 is paid for medicine per consultation.

NATAL

An amount of R5,20 is paid for medicine per consultation.

(2) No.

Supply of medicines

553. Mr H J COETZEE asked the Minister of National Health and Population Development:†

(1) What percentage of the consumption of medicines by the population of the Republic of South Africa was supplied by (i) State and provincial hospitals, (ii) State-controlled clinics, (iii) prisons, (iv) the South African Defence Force and (v) the South African Transport Services in the latest specified financial year for which information is available and (b) what total amount was involved;

(2) whether he will furnish information on the consumption of medicines by the populations of the independent Black states; if not, why not; if so, (a) what are the relevant figures for each of these states and (b) in respect of what financial year is this information furnished?

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

(1) (a) Financial year 1986-87.

(i) 29%.

(ii) See note 1.

(iii) 0,5%.

(iv) 2,5 (see note 2).

(v) 5,0%.

(b) R1,123,000 000.

(2) No.

The Department of National Health and Population Development has insufficient information at its disposal to enable it to provide meaningful answers to the enquiries in this regard.

Note 1: It is unfortunately not possible to differentiate accurately between the value of medicines supplied to patients through hospital outlets and clinics.

Note 2: This percentage represents that which is supplied by the South African Defence Force in order to meet its own needs. The South African Defence Force has in the past purchased medicine on behalf of the Department of National Health and Population Development and other central Government departments.

The amounts involved in this respect are included under paragraphs 1 (a) (i) and (ii).

Diep River: offences

554. Mr S S VAN DER MERWE asked the Minister of Law and Order:

(1) Whether there has been an increase in the incidence of the offences of (a) robbery, (b) theft of vehicles and (c) housebreaking with intent to steal and theft in the Diep River police station area in recent years; if so, to what extent;

(2) whether, in view of this increase, he intends opening a police station in Plumstead; if so, (a) where and (b) when; if not, (i) why not and (ii) what steps does he intend taking to combat the increased incidence of these offences in the said area;

(3) whether he will make a statement on the matter?

The MINISTER OF LAW AND ORDER:

(1) (a) to (c) No. These types of crimes have displayed a fluctuating tendency during the past 5 years in this police station area. However, during the 1986/87 statistical year it displayed a strong decrease.

(2) No. (a) and (b) Fall away.

(i) and (ii) Because the Diep River police station serves the community in that station area effectively. Existing crime prevention actions also produce positive results and shall be adjusted if it appears to be necessary.

(3) Yes. I wish to point out to the hon member that the South African Police monitor the crime situation in this police station area, as in every other station area, accurately and in a specialised manner. Instructions and methods regarding crime prevention are continually being adjusted as circumstances require. The South African Police has a proud record regarding crime prevention in South Africa and they aim to continue building on that record.

Group Areas Act

555. Mr S S VAN DER MERWE asked the Minister of Constitutional Development and Planning:

(1) Whether, since 1 January 1986, his Department has received any applications for exemptions from the provisions of the Group Areas Act, No 36 of 1966, in respect of residential premises in each specified magisterial district in the Transvaal; if so, (a) how many such applications had been (i) granted and (ii) refused as at the latest specified date for which information is available and (b) what were the reasons for (i) granting and (ii) refusing each application;

(2) whether any action has been taken against (a) owners and (b) occupants of residential property in the Transvaal in terms of the provisions of the said Act during the above-mentioned period; if so, (i) in respect of the owners or occupants of which properties, (ii) what action was taken, (iii) who initiated the action, (iv) who decided that action should be taken, (v) why was action taken and (vi) what was the outcome of this action in each case?

The MINISTER OF CONSTITUTIONAL DEVELOPMENT AND PLANNING:

(1) The Transvaal Provincial Administration, which has been responsible for the issuing of permits in terms of the Group Areas Act since 1 October 1986, has supplied the following information for the period 1 October 1986 to 30 September 1987:

District	(i) *Granted*	(ii) *Refused*
Alberton	2	
Amersfoort	1	
Balfour	1	
Barberton	1	
Belfast	1	
Bethal	1	
Boksburg	1	2
Brakpan	1	
Benoni		4
Christiana	1	
Carolina	1	
Delareyville	2	
Germiston		5
Hoëveldrif	2	
Johannesburg	853	42
Kempton Park	12	7
Klerksdorp	19	1
Letaba	2	
Lichtenburg	3	1
Lydenburg	1	
Krugersdorp	2	
Marico	5	2
Nigel	1	
Oberholzer		1
Piet Retief	1	
Pietersburg	1	
Potchefstroom	4	
Potgietersrus		3
Pretoria	10	4
Randburg	2	3
Randfontein	1	
Schweizer-Reneke	1	
Soutpansberg	1	
Swartruggens	1	
Vereeniging		2
Volksrust	5	
Wakkerstroom	2	
Westonaria	1	1
Witbank		1
Wolmaransstad	1	

(b) (i) and (ii) Applications are granted or refused in terms of the provisions of the Group Areas Act, 1966.

HoA

HoA

Chemists: new system will ruin us

(96) Sunday Times 24/11/87

JOHANNESBURG — About 300 members attended an urgent special general meeting of the Pharmaceutical Society in Johannesburg last night to protest against the loss of State and provincial patient patronage to district surgeons.

The meeting resolved to request the Government immediately to rechannel the district surgeon work back to pharmacies and wait until the report and recommendations of Dr Wim de Villers on the privatisation of district surgeon prescriptions was finalised before implementing them.

The society said in a statement that many pharmacists, especially those in the country areas, were largely dependent on the work now being taken by district surgeons.

This work, the society said, constituted between 30% and 90% of the pharmacists' dispensing business.

"If provincial work is taken away from the pharmacist it could mean his demise, especially on the platteland, where an actual increase in pharmacy distribution is needed," the statement said.

The society has for years had an agreement with the Department of Health and "written or verbal" agreements with the four provinces for retail pharmacists to supply medicines to State and provincial patients.

But the society says this has now changed, with the work going to district surgeons.

"In the case of the Transvaal, a reversal in policy was only learnt about after the decision was taken and part of the plan implemented.

"Neither the society nor any of its members were informed of such intentions nor given the opportunity to comment," the statement said.

"This new system, if fully implemented, would cause work that has already been privatised to be lost to the pharmacist."

District surgeons started dispensing services for their patients on behalf of the Transvaal province in June this year in certain Transvaal towns, the statement said.

"The work done by pharmacists in the Free State, particulary in the main centres of Bloemfontein, Bethlehem, Kroonstad and Welkom is to cease," the statement said.

"However, it is expected that where there is no hospital dispensary in a town and the doctor does not wish to dispense, the local pharmacy will retain the work."

Decisions of the other two provinces were still unclear, the society added.

"However, the dispensing services in many towns in the Cape province have already been removed from the pharmacist.

"In those towns in Natal where part-time district surgeons are located, patients will have to obtain medicines from hospitals between 10 and 155 kilometres distant.

D/D 25/11/87

Pharmacists protest at impairment of trade (96)

Daily Dispatch Reporter

EAST LONDON — Many pharmacists in the rural areas are in danger of closing down following reports that state and provincial patients are to get medicines from district surgeons.

A protest meeting attended by over 300 members of the Pharmaceutical Society of South Africa (PSSA), which represents pharmacists in the country, was held in Johannesburg.

A statement issued after the meeting said that many pharmacists, especially in the country areas, depended on this work which constituted between 30 per cent and 90 per cent of their dispensing.

"The dispensing services in many towns in the Cape Province have already been removed from private pharmacists in the area.

"District surgeons started dispensing services for their patients on behalf of the Transvaal province in June 1987.

"The work done by pharmacists in Bloemfontien, Bethlehem, Kroonstad and Welkom will stop, although it is expected that where there is no hospital dispensary in a town and the doctor does not wish to dispense, the services of the local pharmacy will be retained.

"In towns in Natal where part time district surgeons are stationed, patients will have to get their medicines from hospital dispensaries between 15 kilometres and 155 kilometres away, even though there are pharmacists in 70 per cent of the towns affected," the statement said.

The PSSA called on the government to immediately channel the district surgeon work back to private pharmacists in the spirit of deregulation and free enterprise.

The statement said that the phamacist must be recognised as an independent profession and that the Medical, Dental and Supplementary Health Service Professions Act No 56 of 1974 be amended accordingly during the next sitting of parliament in 1988 "so that the profession of pharmacy is treated in the same manner as that of dentistry, whereby no other health professional can practice pharmacy by dispensing medicine if there is a pharmacy practice in the area".

HEALTH AND DISEASE - PHARMACISTS

1988

D/D 04/02/88

Pharmacists: no rush on aspirin

(96)

EAST LONDON —There has been no apparent rush here to buy aspirin since it was reported last week that the drug could help prevent heart attacks among men.

Durban pharmacies have experienced increased sales of aspirin since the report was published.

One Durban pharmacy sold a whole month's supply of aspirin in one day, another said it was out of stock of the drug and others reported a significant increase in sales and a "lot of inquiries".

However, pharmacists in East London said there had not been any noticeable increase in sales.

According to the report, a recent study carried out among more than 22 000 physicians in the United States found that men who have never had heart attacks could almost halve their risk of having them by taking aspirin regularly. —DDR.

DD 7/3/88 (96)

Oral contraceptives go under spotlight

CAPE TOWN — Contraception will fall under the spotlight at the annual conference of the South African Association of Retail Pharmacists (Saarp) here on Monday and Tuesday next week.

Pharmacists will discuss whether oral contraceptives should be sold in pharmacies without a prescription. The population explosion and the increase in abortions are reasons motivating the argument for over the counter sales.

According to statistics, over 200 000 abortions are performed annually and 500 000 unwanted babies are born in South Africa every year.

Issues to be discussed at the conference —which will centre on the theme of self-medication — are whether inserts in medicine and pill packages should be compiled so that they are of greater informative value to the patient, written and oral prescriptions, and the removal of dispensing from private sector pharmacy, the communications officer for Saarp said.

● A revolutionary new abortion pill, which is already causing a storm of protest in America, could become available in Britain next year.

Tests have already been carried out on 500 British women who have had their pregnancies terminated by simply taking the pill, code-named RU 486, with few showing any side effects.

The drug, also known as mifepristone, is expected to be marketed in France next month and could be be launched in Britain during 1989. It is used during the first eight weeks of pregancy and has proved highly effective.

Manufactured by Roussel, the French-based pharmaceutical company, RU 486 has been tested in 10 countries, including China and America.

The trials in Britain, which will eventually involve 1 000 women, are halfway completed. Of the first 100 who tried the pill in a pilot study, 95 had complete abortions without complications.

Five had to undergo surgey because of incomplete abortions. — DDC

Petition on dispensing

CAPE TOWN — Chemists will petition the State President if dispensing services handed to district surgeons by the provincial authorities are not returned to the private sector.

This was decided this week at the 38th annual general meeting of the SA Association of Retail Pharmacists (Saarp).

In a strongly worded motion, Saarp expressed its "condemnation of the manner in which the provinces have handed over the act of dispensing to the district surgeons".

Way to cheaper health care

MEDICINE prices could be lowered and pharmacists could be more effective in health services if tougher control on price structures and rationalisation of medical aid schemes were introduced, Mr Kosie van Zyl, president of the South African Pharmacy Council, said in Cape Town.

The council advises the State on various aspects of the pharmaceutical industry.

Addressing the annual congress of the South African Association of Retail Pharmacists (Saarp), Mr van Zyl said various investigations into the pharmacy trade had been launched in the past two weeks.

Focus

The focus of these inquiries had been the cost of medicines and the professional remuneration of pharmacists.

Mr van Zyl said if medicine prices were to be probed, retail pharmacists should be investigated along with all other links in the medicine distribution chain, from the importation of raw materials to the final sale to the patient.

He said the council had recommended that:

- Levies, surcharges and GST on (pharmaceutical) raw materials be abolished; and
- Medicine prices be increased only on the basis of motivated representations by the industry to central Government.

S 7 13 3 88

Chemists want to dispense birth pill

By RUTH GOLEMBO

BIRTH-control pills will be freely available to young girls without a doctor's prescription — if pharmacists have their way.

The shock decision was made at this week's South African Association of Retail Pharmacists (Saarp) conference in Cape Town.

Delegates cited the sharp increase in the abortion rate and the population explosion as reasons for wanting the pill to be dispensed without a doctor's consent.

According to statistics, more than 200 000 abortions are performed and 500 000 unwanted babies are born in South Africa annually.

A similar move to make the pill more easily available in Britain recently caused a wave of outrage from parents who said it would lead to increased promiscuity and increase the spread of the killer AIDS virus.

Safety

In SA, the new plan still has to be passed by the medicines control board.

While pharmacists are all for the relaxed rules, according to Saarp's president Gary Kohn, medical experts are more cautious about giving the go-ahead.

One family planning expert warned that while the pill was safe for healthy young women it, could be dangerous if taken by someone with a medical history of illnesses like porphyria or epilepsy.

Dr Esther Sapire, chairman of the medical committee of the Family Planning Association of SA, said: "While it is important to make the pill as freely available as possible to curb unwanted pregnancies, it is also important to make it as safe as possible."

But Mr Kohn said: "Pharmacists are highly qualified professionals and we see no reason why they should not take the responsibility for dispensing oral contraceptives."

(96) SM 14/3/88.

Higher fees for pharmacists may hit medical aid

Medical Reporter

Proposed new fees for South Africa's pharmacists could push up medical aid subscriptions, the Representative Association of Medical Schemes (Rams) says.

The key element of the proposed package is a sharp increase in dispensing fees. "The proposals contain elements of cost escalation that medical schemes, their members and employee groups will simply be unable to cope with at the current medical aid subscription levels," a Rams spokesman said.

"Our information is that the proposed new professional dispensing fee could be pitched at between R4 and R6,35 an item — a sharp increase on the current level of R1,30 an item — while the proposed mark-up on medicines may be as high as 40 percent," said the spokesman.

"If these figures are correct, the proposals are way out of line and fly directly in the face of President Botha's efforts to contain inflation."

The spokesman said that if the gross incomes of pharmacists were to remain the same, the future dispensing fee should be no more than R4,22 an item.

Medicines account for 40 percent of the benefits paid by medical schemes so the impact of any increase would be huge.

Pharmacists in clash over dispensing cost

20/3/88 SIT 96

THE Representative Association of Medical Aid Schemes (Rams) and the Pharmaceutical Society of SA (PSSA) are battling over a proposed renumeration package for pharmacists.

Rams opposes the package, claiming it contains elements of cost increases that medical aid schemes will be unable to meet at current subscription rates.

Business Times Reporter

PSSA executive director Boet van der Merwe says "such speculation is out of line with the facts". The alternative tariff structure proposals are designed to curb increases in costs.

The new package being considered by the Pharmacy Council proposes that the dispensing fee for prescribed medicines should rise from R1,30 an item to between R4,22 and R6,35. The mark-up on medicines should be up to 40%.

A mere 10% rise in the cost of medicines dispensed by pharmacists will add R160-million to the 1988 bill of medical aid schemes, says Rams.

Mr van der Merwe says it is in the PSSA's best interests to hold down the price of medicines, not only in line with the Governments' directives, but to "win back volume by capturing the dispensing of medicines to State and provincial patients".

Bill goes up

This, says Mr van der Merwe, can only be done by an attractive pricing formula. The recommendations will allow pharmacists to charge a professional fee based on an hourly rate. It will bring them into line with other professionals.

Rams executive director Rob Speedie says he has no problem with pharmacists seeking enhanced professional status, "but the combined effect of change to their dispensing fee and the price of medicines dispensed should not affect the consumer".

Medical aid schemes will pay about R1,6-billion for medicines this year, including the expected increase in costs of 20%. This compares with R1,3-billion paid in 1987.

GP blackballed by pharmicists

PRETORIA — The simmering feud between pharmacists and doctors, who dispense their own medicines, has burst into the open with at least 15 Pretoria pharmacists "boycotting" a general practitioner and refusing to fill his patients' prescriptions.

There are indications that this could be the start of a campaign against dispensing doctors in the area.

Patients complained bitterly about the actions of the pharmacists, who are all from Pretoria's eastern suburbs.

Questioning the pharmacists' professional ethics, they said they were unable to get prescribed medicines because of the boycott.

The doctor, whose surgery is in the Wilgers shopping centre, said he was registered to dispense medicine and that he had always dispensed to black patients.

He said he did not dispense medicines to white patients, although he occasionally handed out samples to the aged.

He added that he was renting his premises from a pharmacist in the centre and that his contract stipulated that he was not allowed to dispense medicine to whites.

The doctor said the pharmacist had come into his consulting rooms in December last year and accused him of undermining his business.

"He told me he would evict me if I didn't stop dispensing immediately. I couldn't work under these conditions and immediately began drawing up plans to build a

DEBORAH SMITH

consulting room at my home.

"I decided that if I broke loose, I could dispense whenever I wanted to."

The pharmacist told him 15 other pharmacists would refuse to serve his patients. "He added that a number of other doctors would be boycotted."

A spokesman for the Pharmacy Council confirmed that the council had received a complaint from the doctor.

He said there was nothing in the Pharmacy Act which forced pharmacists to dispense every prescription they received.

However, he warned that the council could ask them to justify their refusal to dispense if it received a complaint.

The spokesman said pharmacists had to keep the interests of the patient in mind.

When a reporter from a Pretoria newspaper presented four of the pharmacists this week with a prescription from the doctor, they refused to dispense medicine and advised the reporter to go back to the doctor.

They also refused to provide an explanation as to why they were boycotting him.

Another patient who was refused medicine asked the pharmacist what would happen if the treatment was urgently needed. The pharmacist allegedly replied: "That is your problem. Use another doctor."

Doctors face new call on dispensing

BLOEMFONTEIN — A proposal that a professional fee for the supply of medicines by doctors should apply only where there was no pharmacy available, or when supplied in an emergency, was overwhelmingly rejected by the South African Medical and Dental Council in Bloemfontein yesterday.

DILEMMA

Mr G G Clark, a member nominated by the Pharmacy Council, said the essence of the ethical dilemma faced by the Medical and Dental Council in its attitude to the dispensing of medicines by doctors concerned the question of whether or not a professional person should engage in a practice for which he was not trained and which specifically fell within the ambit of acts that pertained to the calling of another profession.

He said the knowledge the pharmacist brought to the act of dispensing was rich and varied, and complemented and supplemented that of the prescriber.

The pharmacist was the "third-eye" of the prescriber in the interests of both patient and prescriber.

He was autonomous and quite apart from the intimacy of the doctor-patient relationship, Mr Clark said.

ACCEPTABLE

In the discussion on the motion it was clear that while there was a necessity to distinguish between "trading" doctors and "dispensing" doctors, the council members generally believed that it was acceptable for doctors to dispense medicines to their patients. — Sapa.

Move to curb medicine costs

Star 16/4/86

HOUSE OF REPRESENTATIVES — Statutory bodies controlling pharmacists and doctors had agreed that no profits should be made on prescription medicines, the **Minister of National Health and Population Development, Dr Willie van Niekerk**, said yesterday.

96

Replying to the committee stage debate on the National Health and Population Development budget, he said regulations to this effect were likely to be implemented this year. — Sapa.

Chemists' war on 'profiteer' doctors

PHARMACISTS are again trying to stop doctors dispensing drugs and medicines to patients.

The Pharmacy Council (PC) — a statutory body — charged this week that retailers were slowly being put out of business by dispensing doctors making huge profits on cheap and give-away drugs supplied by manufacturers.

By HAMISH McINDOE

In a powerful call to the Government, the PC asked National Health and Population Development Minister Dr Willie van Niekerk to issue a "mission statement" for the profession.

In essence, says PC member Mr Graham Clark, "we want the Government to sort out the turmoil by clearly defining our function once and for all."

"Many pharmacists are going down the tube because of the dispensing doctors. The Medical Council chucked out our recommendations earlier this month. So now we're going to the Minister."

Limit

Dispensing doctors outnumber the 2 600 retail pharmacists by nearly two to one. And, according to PC estimates, dispensing doctors claim a 20 percent share of the country's R1-billion pharmaceutical sales.

The PC wants to limit the dispensing practices of doctors to emergencies or when doctors offer the only service available.

It alleges that dispensing doctors are:

- Deliberately prescribing expensive drugs for common ailments.
- Over-prescribing to swell their profits.

Unfair

- Receiving free or low-cost medicines, which gives them an unfair advantage over retail pharmacists.

Medical-aid scheme payments to one practioner last year totalled R559 612 on 5481 prescriptions containing 23 627 items. Mr Clark estimates this doctor made at least R150 000 profit.

But the Medical Association of South Africa (Masa) reacted strongly.

Says chairman Dr Bernard Mandel: "Many GPs operating in small towns and outlying areas would simply go out of business if they didn't dispense."



rhaven's Jumble", was judged . He is owned by Mr and Mrs ● Picture by Ruphin Coudyzer.

y have it today

years to detect.

Yesterday the twins had reached the stage of development that they had been at prior to the marathon 12-hour operation to separate them on May 3.

Little Mphonyana, who was lagging behind her sister, had thrush in her mouth and was

Pharmacists can encourage better health

Medical Reporter

The pharmacist plays a unique role in health education and his prime responsibility is to encourage his clients to stay healthy, delegates at this year's national pharmaceutical congress heard today in Port Elizabeth.

The four-day congress was organised by the Pharmaceutical Society of South Africa.

Speaking on the significant changes taking place in South African pharmacy compared with Britain, Mr David Sharpe said not enough health education was being undertaken by any government anywhere.

"The pharmacist has therefore a unique role to play," he said.

Mr Sharpe, a member of the Pharmaceutical Council of England and Wales, said the British government recognised that the pharmacy could make an important contribution to health promotion. Part of the cost of displaying health promotion material would be funded. The pharmacy was regarded as an ideal site for airing concerns for which many patients would not always seek advice from a doctor.

KEY MEMBER

Mr Sharpe pointed out that the pharmacist was a key member of the primary health care team yet he was available without appointment. He did not attract the level of publicity that doctors and the nursing profession often received.

"Nevertheless, during the year, millions of people who are well visit pharmacies. They could be encouraged to stay well," said Mr Sharpe.

He suggested that consideration be given to paying an allowance to pharmacy contractors providing a service to homes for the handicapped and the elderly. This had already been implemented in England.

The British government had also introduced an allowance to pharmacies which maintained extensive patient medication records on elderly and confused patients on long-term medication.

Chemists debate 'worsening crisis'

PORT ELIZABETH — The crisis in the pharmaceutical profession is worsening despite several investigations since 1957, according to the president of the Pharmaceutical Society of South Africa, Mr Louis Röntgen. Star 17/5/88 (BB)

Speaking at the society's annual conference in Port Elizabeth yesterday, Mr Röntgen said two annual meetings held last year had reflected pharmacists' concern about their profession. (96)

He said the reports of the various investigations offered little guidance to pharmacists in terms of the cost and distribution of medicine.

A member of the southern Transvaal committee of the South African Association of Hospital and Institutional Pharmacists, Miss Dina Elias, said clinical pharmacy services in South African hospitals were inadequate.

Miss Elias said that, compared with Great Britain and the United States, there was a lack of contact between pharmacists and both patients and the health-care team.

Clinical services such as answering questions on medicines and transferring instructions on the proper use of medicines should be the pharmacist's responsibility, she said.

In South African hospitals, most of these services were either offered irregularly or not at all. — Sapa.

Cape Times 18/5/88 (96)

Pharmacy teams not in contact with sick in wards

Own Correspondent

PORT ELIZABETH. — There was a lack of opportunity for pharmacists in local hospitals to have contact with the patient and the health-care team, and many of the clinical pharmacy services were infrequent or did not exist.

The services, important to the pharmacist's professional responsibilities, included answering drug-related questions, instructing patients on the proper use of drugs and monitoring drug therapy.

This was said by Miss Dina Elias, of the Southern Transvaal committee of the SA Association of Hospital and Institutional Pharmacists, at the national conference of the Pharmaceutical Society of South Africa in PE yesterday.

She said the most important difference in SA hospitals compared with America and Britain was the lack of opportunity for pharmacist contact with the patient and the health-care team. In America this was accomplished by decentralizing the hospital pharmacy and placing satellite pharmacies in wards. In Britain, the ward pharmacy system expanded to include clinical pharmacy activities.

● The sources of conflict between doctors and pharmacists were primarily attitude-related, and linked to differences in perceptions and communication difficulties, said Mr Billy Futter, lecturer at the School of Pharmaceutical Sciences at Rhodes University.

Mr Futter was giving a summary of findings from a national survey of retail pharmacies conducted last year at the national congress. The survey examined the perceptions of retail pharmacy managers on their relationships with medical doctors.

Fairly strong support for change was revealed, Mr Futter said.

Most pharmacists who responded to the survey indicated they would support legislation that would authorize generic substitution and the prescribing of Schedule 3 and Schedule 4 drugs, but not dispensing for profit by doctors.

It seemed the relationship between pharmacies and doctors was reasonably harmonious and that the level of conflict was significantly lower than had been implied, Mr Futter said.

Most respondents felt doctors were satisfied with the quality of the professional services they provided to doctors and their patients.

However, there was some evidence that roles were not clearly defined, Mr Futter said. This was demonstrated by the doubt as to who should be responsible for informing patients about drug administration and side-effects.

Pharmacists want hard look at medicine costs

Sept 18 1978

96

Medical Reporter

The problem of rising medicine costs cannot be solved by the retail pharmacist alone and must involve the State, manufacturers and wholesalers, says Mr J D van Zyl, president of the South African Pharmacy Council.

At the South African Pharmaceutical Society's national congress in Port Elizabeth on Monday, Mr van Zyl said the retail pharmacist was supplied with a product so cost-inflated that the abolition of profit at retail level would have only a minor effect, if any, on the national medicines bill.

He said he was not suggesting that the retail pharmacist had no role to play in curbing medicine costs.

"His is an important role but the actions of the retailer are dependent on the practices of the other professionals in the medicine field."

Mr van Zyl said it was the pharmacy council's opinion that the entire medicine-distribution chain should be examined to identify and reduce inflationary factors.

Last year the council submitted a report to Parliament on factors which could reduce the cost of medicines, he said.

SA Druggists profit R32m

EAST LONDON — Attributable profit of R32 million has been reported by South African Druggists for the year to March 1988, the group's first year of operations since being re-listed on the Johannesburg Stock Exchange.

This represents an increase of 28 per cent on the previous year and is R1,1 million above the prospectus forecast.

Earnings a share at 22,7c also exceeded the prospectus forecast of 21,9c. The company will pay a final dividend of 4,75c a share, bringing the total dividend for the year to 8c.

Turnover increased by R108 million to R675 million, a rise of 19 per cent, and operating income was up 23,2 per cent to R64 million.

Total assets rose by 16 per cent to R257 million with the group's finance ratio remaining above 50 per cent at 55 per cent and the gearing ratio falling to 13 per cent from 22 per cent.

The group's managing director, Mr Tony Karis, said interest paid dropped materially to R3,3 million because of good asset management, lower interest rates and the conversion of some loans into share capital.

The group spent R13,6 million on capital expenditure during the year, primarily on the Lennon facility at Port Elizabeth, which is today the biggest pharmaceutical manufacturing plant in the southern hemisphere, and on the LPA third-party distribution centre in Heriotdale, Johannesburg.

He said SA Druggists had continued its strategy of changing its portfolio balance with a heavier bias towards manufacturing and marketing its own products as opposed to the wholesaling of other companies' products.

As a result, about 60 per cent of the group's operating profits were generated by the manufacturing and marketing companies, compared with 45 per cent only three years ago.

Mr Karis is bullish about the group's future prospects. With our core business firmly established, our entry into the field of medical diagnostics and investment in long term biotechnology, SA Druggists begins the new financial year with a strong base for sound, sustainable growth.

"We can look forward to a further increase in earnings for the year to March 1988."

SA Druggists is a member of the Federale Volksbeleggings Group.

health policy," the society said.

Follow-up to successful '87 campaign

Medical Reporter

The successful 1987 pharmaceutical advertising campaign is to be followed this year by another costing R1,5 million, Mr Neville Lyne, the chairman of the Pharmacy Professional Awareness Campaign, said yesterday.

Speaking at the South African Pharmaceutical Society's national congress in Port Elizabeth, Mr Lyne said research showed that more people were using pharmacies as a result of the 1987 campaign.

He said the most influential advertisement had been the "anxious mother" message carried nationwide on television.

Surveys conducted during the campaign showed that 81 percent of whites said they experienced better service in pharmacies than in other stores.

And 51 percent of those surveyed said they were "very satisfied" with the related services provided by pharmacies.

Mr Lyne said that as a direct result of the campaign, 86 percent of blacks surveyed said their frequency of contact with pharmacists had increased.

Pharmacists support privatisation

Star 20/5/88

96

Medical Reporter

It is now essential that the Government finalise and implement a health care plan for South Africa and also clarify the pharmacist's role and function, delegates at the South African Pharmaceutical Society national congress heard yesterday.

"A health care plan would ensure that the training of the community pharmacist is utilised to the full wherever possible in the safe, efficient and responsible distribution of medicines and in the provision of pharmaceutical services."

The society said pharmacists' existence was under threat if doctors continued to dispense medicine and if manufacturers kept up discriminatory pricing policies in respect of prescription medicines.

It said doctors should not dispense medicines in conflict with pharmacists.

It added that health care should be privatised wherever possible in the interest of the public, the State and the taxpayer.

"The profession endorses and supports the initiative taken by the Director-General of Health to set up a forum in which all the relevant parties can partake in the formulation of a health policy," the society said.

Medicines — doctors tilt at pharmacists

Medical Reporter

The Medical Association of South Africa (Masa) has accused pharmacists of "overstepping their professional boundaries".

In a statement released in Pretoria at the weekend, Masa said: "Pharmacists are not only trying to deny doctors the right to dispense medicines to their patients — a service doctors have rendered since the earliest days of medicine — but they are also extending their activities further into the field of preventive health services, an area for which most of them have no professional training."

Masa ascribed this to an overpopulation of pharmacists in a limited market.

"It has become clear that the pharmaceutical profession is in a desperate fight for survival.

"Masa believes it would be shortsighted and extremely dangerous to allow people who have not been adequately trained to practise what would inevitably be an incomplete and inferior brand of medicine."

Competition hotting up in the pharmaceutical arena

By Sven Forssman

SA Druggists enters the new financial year on a firm, successful base, managing director Tony Karis says in the annual report.

"The group is well placed to weather the environmental changes that are taking place and to take advantage of opportunities in different arenas, and as such can look forward to a further sound increase in earnings.

"But," warned Mr Karis, "individuals and companies operating in the new environment, which is fast changing to one of greater competition and lower margins, who ignore the need to reassess their position and probably change their methods of operation, do so at their own peril."

Chairman Peet van der Walt says South Africa, as with every country in the Western world, is faced with ever increasing health care costs.

Because of this "the government has shifted the servicing of some of the prescriptions written by district surgeons from private sector pharmacies to state-controlled outlets.

"Clearly, the time has come for a reappraisal and adaptation of the private sector's structure as in some of the Browne Commission Report's recommendations.

"One of those is to produce a more cost-effective delivery system for the supply of medicine which, through lower prices and greater competition, can retain the traditional private sector patient and also gain an increased share of the business currently handled by the state."

Deferred ban riles pharmacy bodies

By Lloyd Coutts

Pharmacists have reacted strongly to the postponement until 1991 of the ban on skin lighteners, originally scheduled for July 1.

A joint circular to all pharmacists was distributed yesterday by the Pharmaceutical Society of South Africa and the South African Association of Retail Pharmacists.

The action followed a Government notice allowing the industry a "phasing out" period of two years.

The circular said there was substantive proof that hydroquinone in skin-lighteners was harmful.

Both organisations suggested that a pharmacist should consider whether it was in the public interest that his pharmacy should continue to have these products on sale.

Pharmacist campaign

The Pretoria branch of the South African Association of Retail Pharmacists is to launch a campaign to highlight the key role of the pharmacist.

A statement by the association on the "The role of the pharmacist in the community" said pamphlets would be distributed by all pharmacists to customers.

'Millions a day' get frittered on medicine

By RENEE MOODIE
Medical Reporter

SOUTH AFRICANS spend about R2 000 million a year — or almost R5,5 million a day — on medicines, it was said at the launch of a new medical publication yesterday.

Professor Peter Folb, chairman of the Medicines Control Council and head of the UCT department of pharmacology, was speaking at the launch in Pinelands of the "South African Medicines Formulary", which was compiled by members of his department.

He said there was a "worrying tendency" to over-prescription of drugs in South Africa, which had been documented by medical aid societies and hospitals.

The "Formulary", the first comprehensive medicine-prescribing guide for use by health professionals in South African conditions, was published by the Publications Division of the Medical Association of South Africa (MASA) in association with the Pharmaceutical Society of South Africa.

Prof Folb said that while spending on medicines in South Africa fell in an intermediate range internationally, white South Africans probably spent about as much as North Americans. Black South Africans probably spent as much as that spent per capita in countries like Nigeria.

Twenty percent (R400 million) of money expended on medicines was spent by the pharmaceutical industry on promoting their products.

"Much of this information is fair and accurate but it is also likely to be motivated by self-interest. The aim of the "Formulary" is to provide medical people and the public with objective information in the public interest," he said.

Dr John Straughan, co-editor with Dr Elizabeth Conradie of the "Formulary", added that over-prescription was part of a social ethos.

Prof Folb said the "Formulary" aimed at promoting a rational, cost-effective and objective use of medicines.

"There is the prospect that unless we use medicines carefully, the continued availability of essential drugs cannot be guaranteed in the future.

"Having essential medicines depends on local and international infrastructure and industry, governmental attitude to that industry, the resources of a country, systems of distribution and the amount of money available.

"In most countries — except advanced nations — people do not have access to critical medicines like penicillin," he said.

In the foreseeable future, South Africa would not be self-sufficient in essential medicines. "We do not have the technology or the expertise," he said, adding that as yet the country had not suffered from sanctions in this area.

B/day 14/9/88. (96)

Tenders add to high cost of medicines

IN HAMPERING the restructuring of SA's health system, government was hindering the ways in which the spiralling cost of medicines could be reduced. This was the view of several speakers at yesterday's seminar in Johannesburg on "Medicines — the costly cure?"

A more flexible medical aid system, greater use of generic substitute medicines and the standardisation of prices from manufacturers were some of the suggestions made towards cost reduction.

William Bannatyne, vice-president of the SA Association of Retail Pharmacists, criticised government for the lack of a national health policy, forward planning and co-ordination.

He said these were partly caused by constitutional delay in "sorting out" general and own affairs. "There are too many commissions and investigations — we are always waiting for reports."

Government was also implementing short-term solutions to budgetary problems which would result in long-term problems. One of these was the road government was taking towards

DIANNA GAMES

greater socialisation of medicine rather than the much-needed privatisation, Bannatyne said.

The provinces last year said they would commission district surgeons to dispense medicines to State patients. And government recently told pharmacists they had one year's notice that government was removing all old age dispensing in urban areas from private pharmacists.

Standard price

Bannatyne and Sid Hurwitz, executive director of SA Druggists, called for a standard price on medicines from manufacturers which could reduce prices by as much as 20%.

There are at present three different prices from manufacturers for tenders (mostly the State), doctors and retailers. These can vary as much as 50% on individual products, hitting the community pharmacist hardest.

Hurwitz said there was too little flexibility with medical aids and there was very little, if any, competition between schemes, which generally encouraged over-servicing and over-prescription.

And, he said, pharmacies were not allowed to substitute generic medicines even though the provinces allowed it in their hospitals.

Other major factors, Bannatyne said, were the cost of raw materials and the transfer pricing system whereby local subsidiaries pay a proportion of the product cost to the main research base for further research and development.

Dr Gunter Faber, director of Beecham Pharmaceuticals' international division, said 80% of the cost of any medicine was that of importing raw materials, as the local market did not warrant local manufacture.

Faber, a member of the Pharmaceutical Manufacturers' Association, said as an organisation they were against substitution. Multinational pharmaceutical companies had invested R600m in SA, provided thousands of jobs and enabled continuing contact with medical developments internationally.

Star
20/9/88 (96)

Women count cost of having a lighter skin

By Caroline Mehliss

A survey by the Consumer Council on skin lighteners shows that 24 percent of the respondents who use these products have suffered side effects.

Ninety-three black women in the Pretoria area took part in the survey last month to determine the number of women who use skin lighteners and how many experienced negative side effects.

The survey found 54 (58 percent) respondents have used or are using a skin lightener, of which 23 (24 percent) have suffered side effects. These include skin blemishes, burnt skin, darkening and flaking.

The respondents used skin lighteners for four main reasons: to have a lighter complexion, soften their skin, follow fashion trends and to treat acne.

The 39 respondents who do not use skin lighteners gave as their main reasons that they feared the products would damage their skin, and they were satisfied with their present complexion. Almost all the respondents, users and non-users, were aware that harmful effects could result.

Over 80 percent felt these preparations should not be freely available, and some suggested they be registered as a medicine on prescription only.

Skin lighteners are to be banned in South Africa from January 1991. The ban was originally due to come into effect on July 1 this year, but was postponed by the Department of National Health at the request of the skin lightener manufacturers.

The Housewives' League and Black Consumer Union condemned the postponement, saying it showed open disregard for the well-being of consumers.

(96) SM 29/9/88

Cut-price pharmacies hailed by Government

By Claire Robertson, Pretoria Bureau

The Government has hailed the opening of a cut-price pharmacy as "a very good thing" that will bring free-market forces to bear on costs of medicines.

Dr Coen Slabber, Director-General of the Department of National Health and Population Development, said yesterday he welcomed any move to bring down medicine costs.

He was reacting to the launch by two Johannesburg pharmacists, Mr Gerard Slabbert and Mr Malcolm Abrahams, of the first in a proposed chain of American-style "drug stores" claiming to cut prices of prescription and scheduled drugs by 25 percent.

The move has also been widely welcomed by medical aid administrators hit by rocketing medicine costs.

Dr Slabber said he did not believe the cash-and-carry concept of the chain would harm consumers used to the accounts and delivery services provided by the neighbourhood pharmacist.

"There will always be people willing to pay for the service offered by the small pharmacist," he said.

"At least people will now have the choice. If they want the service, they will have to pay for it."

Mr Slabbert, who owns five pharmacies in Johannesburg's northern suburbs, acknowledged the new concept in pharmacies could mean the end of the suburban pharmacy in the same way that supermarkets drove grocers out of business.

At present it was "frowned upon" by the profession for pharmacists to charge less than the 50 percent hike on the cost price of medicine, he said.

"The small pharmacy will not be able to compete," he said.

Average medical script is R40

Medical Reporter

THE average South African consumer of medicines — or his or her medical aid — can expect to pay about R40 for any prescription filled at a pharmacy.

A medical doctor and former chairman of the Family Practitioners Association of the Western Cape, who cannot be named for ethical reasons, said yesterday that the current cost of an average prescription ranged from about R35 to R49 but averaged about R40 and contained an average of 3,4 items.

"This covers prescriptions for colds and flu and also more expensive medicines for things like cardiac conditions," he said, adding that the average cost of a prescription last year had been about R35, with a range from R30 to R40.

From year to year medicine prices were about 2% higher than the cost-of-living index, and had risen sharply in 1985 to be 9,7% higher. He said he thought the medicine price index would not go above 3% higher than the cost of living this year.

Over-prescribing

Mr Rob Speedie, executive director of the Representative Association of Medical Schemes (RAMS), said yesterday that medical schemes spent about 35% — or over R1 000m a year — on medicines dispensed in hospitals and by private doctors or pharmacists.

"The slice of the pie attributable to medicines has been growing and is a cause for real concern. We have established a committee to investigate both the causes and possible solutions," he said.

Professor Peter Folb, chairman of the Medicines Control Council, this week said the high cost of medicines was largely caused by over-prescribing by doctors. Figures from medical aids showed that following a doctor's consultation, 88% of patients received a script of one kind or another.

Private patients are being forced to pay for state discounts

Medicine costs a bitter pill to swallow

By DAWN BARKHUIZEN

Why do we need so many tranquillisers? One reason is that paying for medicine is a traumatic experience.

The private sector is paying vastly inflated prices for medicines because the State purchases medicines at unrealistically low rates.

This was stated yesterday by Mr Jack Bloom, chairman of the Southern Transvaal Pharmaceutical Society, who said that private patients are paying an average of five times as much as state patients for medicines.

He accused the Government of deliberately refusing to address and resolve the issue, saying it is "endlessly procrastinating by commission".

"The last 50 years are strewn with commissions of inquiry, a Browne Report and a White Paper — the recommendations of which simply withered on the vine," he said.

Discrepancy

The discrepancy in prices arose because the State, the Province and quasi-government medical schemes like Iscor and Transmed purchase about two-thirds of manufactured medicine at one-third of the total cost of all medicines produced.

To ensure adequate production volumes, manufacturers are forced to negotiate at near-cost prices on large provincial and State tenders, he said.

Manufacturers have no option but to then inflate prices charged to the private sector to maintain overall profit margins.

The "knock on" effect had been felt most by private sector users. Medical scheme subscriptions had been pitched at unnecessarily high levels to recover such inflated costs.

Private patients and medical scheme members are severely penalised as a result of multi-level pricing structures, he said. They have to carry State patients three times over.

Not only did they have to pay taxes that the State uses to purchase medicine for hospitals, but they have to buy their own medicine at inflated prices so that the State can buy more cheaply. In addition, they have to pay GST on already inflated prices.

Unrealistic

The tender system, which was now centralised, forces manufacturers to tender to the State and province at unrealistically low prices in an effort to beat competition.

Pharmacists are appalled at the impact on the man-in-the-street but have no option but to pass on the prices.

They maintain that prices of medicine should be determined according to a sliding scale based on quantity, thereby permitting private sector distributors to negotiate on an equal basis and so benefit the consumer.

Mr Bloom said his organisation had long maintained that the price of medicines could be reduced by as much as a third if the Government accepted a standard ex-factory price from the manufacturers based only on quantity sales.

Members of his organisation, infuriated at the State's failure to address and resolve the issue, had instructed him to write to all MPs within the branch's area of influence to determine their standpoint on the matter.

Govt not to blame, says Van Niekerk

By Bruce Cameron, Political Staff

CAPE TOWN — The Minister of Health, Dr Willie van Niekerk, has rejected accusations by the Pharmaceutical Society of South Africa that the Government is responsible for the high price of medicine.

At the same time he levelled an accusation at the society that it wanted "protected free enterprise".

In an interview he challenged the society to tell the public why its members were objecting to a pharmacy in Pretoria that had dropped its prices by 25 percent.

Another pharmacy in Durban had been able to offer a 12 percent discount without affecting its profits.

In its advertising campaign, the society says the high price being paid by the consumer is a result of the "present inequitable pricing structure".

"The pharmaceutical manufacturing industry enjoys three separate water tight markets: the tender market, the dispensing doctor market and the private sector pharmacy market."

The society wants a standard ex-factory price imposed by the Government. Dr van Niekerk said at the weekend that the Government, in calling for tenders for medicines, was obviously attempting to keep prices down.

"It is no use trying to blame the Government — it is a private sector problem. Why must the Government pay more for medicine?

"Bulk buying is also available to private pharmacies, but they can't agree among themselves.

"They are looking for an artificial situation."

Dr van Niekerk said, however, that the basic problem was the cost of medicines and this issue was subject to a Government investigation at the moment.

Pharmacists urge consumer protest

State system sends medicine prices soaring

By Toni Younghusband, Medical Reporter

Private patients could be paying up to 80 times more for medicines than the State pays, a survey reveals.

More than seven years ago there were warnings that the State's tender system of buying drugs would place medicines beyond the reach of the average South African.

While medicine prices continue to soar for the consumer — a 33 percent increase is forecast for next year — the State still buys from manufacturers under the highly controversial tender method.

Because of the competition caused by the system, manufacturers slash their prices to rock-bottom.

Then, in an attempt to balance this, they push up the prices they charge wholesalers.

In turn, the wholesalers pass on their profit mark-up, and so do the pharmacists. At the end, the consumer can pay up to 80 times more than the State would have — and the pharmacists are blamed.

Mr Jack Bloom, chairman of the Southern Transvaal branch of the Pharmaceutical Society of South Africa, says he is tired of being insulted for no fault of his own.

"We, the pharmacists, are the scapegoats. We are the ones the public buys from, and we have to deal with the insults.

"I don't blame the public, I understand how they feel."

Now, in a last-ditch attempt to force the Government to revise the tender system, Mr Bloom and other society members have called for a concerted consumer protest.

'Rash of rises'

They have placed an advertisement in The Star pointing out that the price of medicine can be reduced — but "only if the Government acts immediately".

"We are genuinely concerned about the price of medicine.

"There have been a whole rash of price increases. Some went up last week," said Mr Bloom.

In a survey by The Star, one medicine costing the State 95 c has a retail price of R39,95 (before the dispensing fee).

Medical aid scheme members do not escape unscathed.

To compensate for increasing prices, the schemes are pushing up members' contributions.

"We now believe that the only way to get some reaction from the Government is through a powerful consumer protest.

"A concerted consumer protest may well force the issue and bring the price of medicine down significantly," says the pharmaceutical society.

● See Page 5.



Surf — for clea administration

Govt not to blame, says Van Niekerk

By Bruce Cameron, Political Staff

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"They are looking for an artificial situation."

Dr van Niekerk said, however, that the basic problem was the cost of medicines and this issue was subject to a Government investigation at the moment.

Tembisa inti cuts matric e

East Rand Bu

The regional director of the Depa Training on the Highveld, Mr J H E of intimidation fewer pupils than writing matric examinations in Te

He said 1 200 pupils had registe nations at the beginning of the yea tion started last month many pupi feared for their lives.

A secondary school principal, identified, estimated the number matric examinations at between 70

Several pupils said they withdre because they had been threatened.

In the Kempton Park area sch pealed to parents to accompany when they start writing their inte fetch them again afterwards.

Pamphlets distributed in the tov mittees yesterday read: "The educ

Manufacturers are to blame for inflationary prices, says local wholesaler

Patients 'overcharged' for drugs

Star 14/11/84

By Caroline Mehliss

Drug manufacturers are selling medicines to wholesalers for up to 40 times the price they sell the identical product to the State Tender Board.

Once the retail pharmacist buys the drug from the wholesaler with a 17,5 percent markup, and adds his own 50 percent markup and R1,30 dispensing fee, the final price the private patient pays can be up to 80 times the price paid by the State.

An example of this is the tranquiliser Vallum. The State pays the equivalent of 18,5c for 100 2 mg tablets (it actually buys packs of 500 tablets for 92c), the wholesaler is charged R8,85 for 100 tablets, and the consumer R15,18, plus a R1,30 dispensing fee.

SURVEY

Another example of gross price inflation is the drug Zyloprim, used to treat gout. The tender price for 30 300 mg tablets is 95c, the price to the wholesalers is R21,97, and the retail price is R39,95 (plus dispensing fee).

A survey of 14 well known drugs showed the difference between what the State pays and the wholesalers pay for identical drugs ranging from 1,5 to 40 times, with the average being about eight times."

This price differentiation between State and drug wholesalers has been roundly condemned by pharmaceutical associations throughout the country.

Mr Jack Bloom, chairman of the Southern Transvaal Pharmaceutical Society, says the private sector is paying vastly inflated prices for medicines because the Government is buying drugs at ridiculously low rates.

"The State, provinces, and quasi-government medical schemes like Iscor and Transmed purchase about two-thirds of manufactured medicine at one-third the total cost of all medicines produced.

"Drugs bought by the Government are purchased through the State Tender Board, and in order to beat competition, manufacturers are forced to tender at unrealistically low prices. They then have no option but to inflate prices charged to the private sector to maintain overall profit margins."

Mr Bloom says the private patient gets hammered all the way down the line. His taxes are used in part to buy medicines for the State, he pays vastly inflated prices for his own medicine and he pays GST on top of that.

Pharmacists often bear the brunt of the consumers's anger at high drug prices. They are accused of over-inflating prices, but the inflation begins long before the drugs reach the pharmacist and he has no option but to pass it on to the man-in-the-street.

Mr Bloom says pharmacists and wholesalers want drug prices to be determined according to a sliding scale, based on quantity, applicable to everyone.

This would allow wholesalers who served the private sector to negotiate on an equal basis as the Government if they bought similar quantities of drugs.

Mr Bloom says the price of medicines could be cut by up to one-third if the Government accepted a standard ex-factory price from manufacturers based on quantity of sales.

Mr Sid Hurwitz, executive director and director of pharmaceutical affairs of SA Druggists Ltd, a large pharmaceutical wholesaler, agrees there would be substantial savings for the consumer if there was one exit price for medicines based on amount purchased.

He says the root of the inflationary drug price problem lies with the manufacturers, not the State or pharmacists.

"The high starting price set by manufacturers is where the trouble begins. Also, manufacturers have no single pricing structure in the private sector — there are different rates for dispensing doctors, and varying rates for wholesalers. If someting was done to level prices in this sector, prices should come down.

"I don't think one can lay the blame for high drug prices at the State's door. If they have to pay too high a price, our taxes will go up to pay for them. And I don't think one can say the retail pharmacy markup of 50 percent is too high.

"Does anyone ever question the markups in the retail clothing industry or other areas where markups are just as high if not higher?" asks Mr Hurwitz.

Dr Hugo Snyckers, president of the Pharmaceutical Manufacturers Association (PMA), says a single exit price for the State and the private sector would not be feasible.

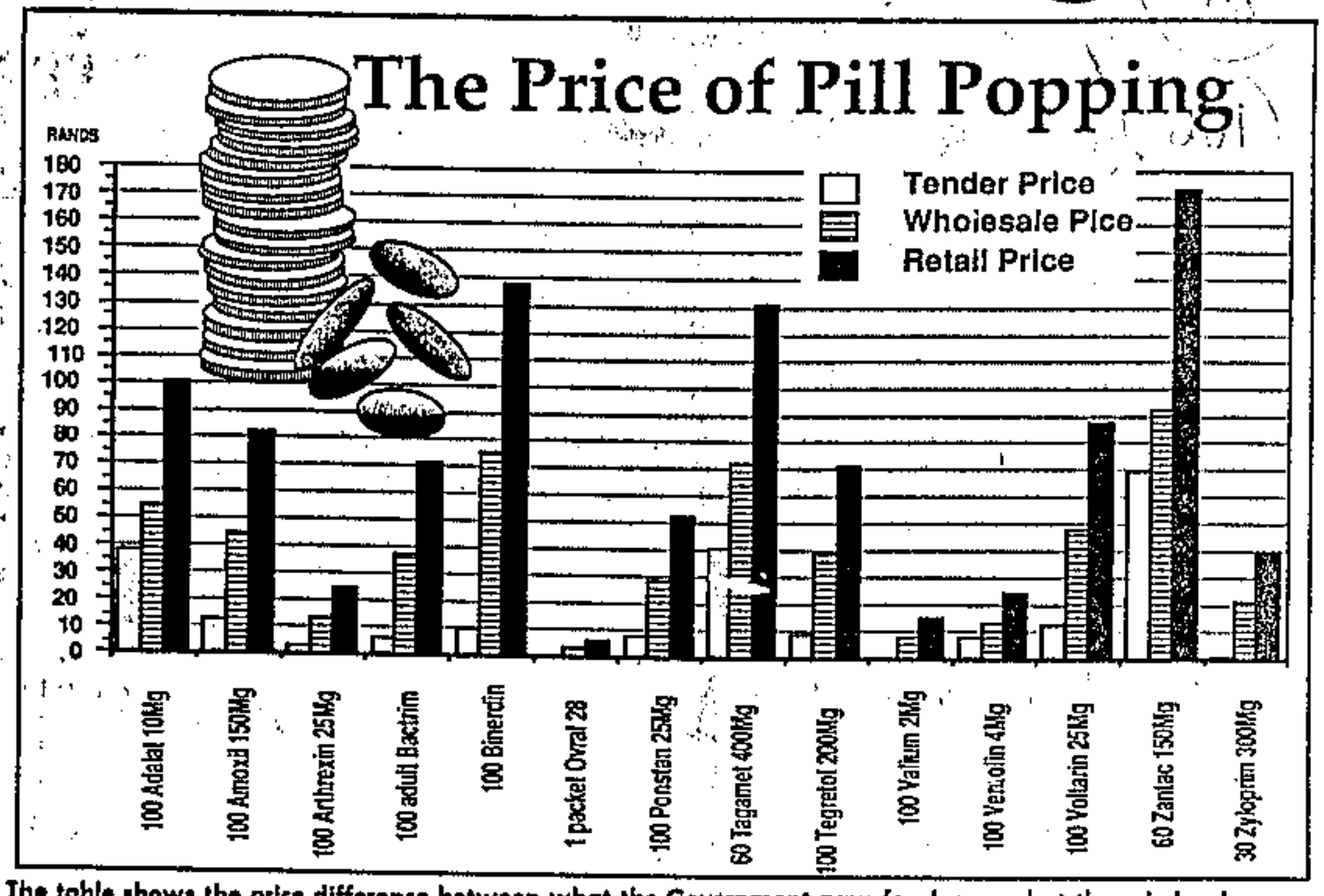
"There is a large section of the population in South Africa that cannot pay for its medicines, so the State has to use taxpayers' money to buy medicines for these less privileged people. The State obviously must buy as cheaply as possible to make the taxpayers' money go as far as possible.

FACTORY

"The PMA is, however, busy drawing up a Government Purchasing List of between 200 and 300 drugs that we consider to be essential.

"We propose that State continues to buy these on tender, but all other drugs should be channelled through the private sector at a single ex-factory price. If the State wants to buy these drugs, it will have to pay the same as the private sector.

"This idea is still in the planning stages, but the Government seems quite receptive to it."



The table shows the price difference between what the Government pays for drugs, what the wholesaler pays, and finally what the private patient pays. The tender prices were those ruling at the beginning of the year, and the wholesale and retail prices are for the same period.



Miss Fiona McKenzie, a Johannesburg chemist assistant, holds a handful of pills. A survey of 14 well-known drugs shows the State pays from 1,5 to 40 times less than wholesalers for the identical drug.

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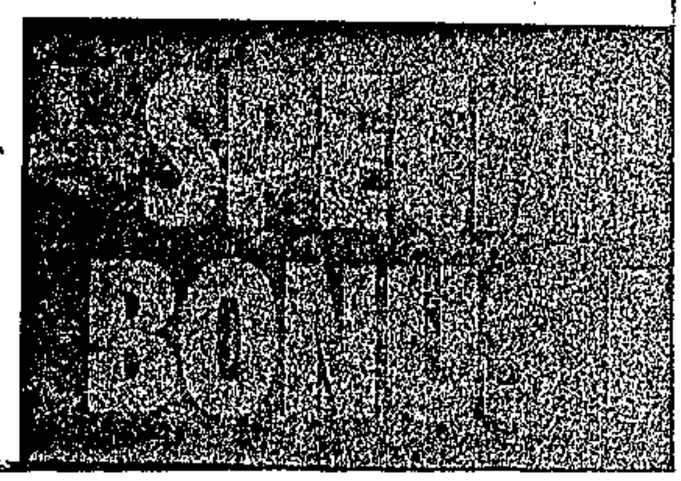

Chemists join war on Aids

96

Medical Reporter

Pharmacists countrywide are to distribute information on the killer Aids virus as part of a national awareness campaign.

Each of the country's 2 800 pharmacies has been supplied with leaflets for distribution to the public, window posters and videotapes which are available to personnel managers for hire.

Pharmacists will be trained in basic Aids education and will be provided with a list of Aids counselling centres to which customers can be referred. Star 17/11/88

Mr Willie Kock, the president of the Pharmaceutical Society, said the pharmacist's role in the Aids campaign would involve the education of the public, advice on "safe sex" and condom use.

He pointed out that condoms were a major factor in the war against Aids.

Doctors get drugs cheaper and customers pay more

Star 21/11/86

By Caroline Mehliss

Dispensing doctors have been drawn into the drug price controversy.

Pharmacists say the present pricing policy where dispensing doctors can buy drugs cheaper than pharmacists is unfair and adds to the high medicine prices that consumers ultimately pay at retail outlets.

Doctors are given preferential discounts by some manufacturers, especially for generic drugs, and are often offered bonus free drugs if a certain number of drugs are bought.

Two recent examples of this was that if a doctor bought 40 packs of 15 Surgam 200 mg tablets he received 25 packs free, and if he bought five packs of 100 Urbanol 10 mg tablets he received three packs free.

DOCTORS

Mr Ray Pogir, honorary secretary of the Southern Transvaal branch of the SA Pharmacy Association, said doctors were a target of manufacturers.

"Manufacturers feel it is important to give doctors an incentive to prescribe their drugs as obviously a doctor will be more inclined to prescribe a drug he stocked himself than one he doesn't.

"It's not worthwhile for manufacturers to offer these incentives to pharmacists as pharmacists cannot promote a sale, they can only supply what is prescribed.

LIMITED

"Doctors keep a far more limited range of drugs than a pharmacist. The question arises whether with a dispensing doctor the treatment is tailored to the doctor's inventory," Mr Pogir said.

Mr Jack Bloom, chairman of the Southern Transvaal branch of the SA Pharmaceutial Society, said he did not believe doctors should dispense and take business from pharmacists.

A dispensing doctor admitted doctors did often get special prices and bonuses, but said the benefit should be passed on to the consumer.

"Furthermore, the doctor uses the discounts to subsidise patients who cannot afford to pay for their medicines.

Dr Hugo Snyckers, president of the Pharmaceutical Manufacturers Association (PMA), said that, in principal, manufacturers agreed there should only be one exit price to the private sector, but "once one manufacturer offers a discount the others feel they must too".

Star 21/11/88 9b

'Pharmacists want to buy stock at the same price as State'

Medical Reporter

Pharmacists demanded the right to buy stock at the same price as the State and these prices should be governed purely by quantity, Mr Boet van der Merwe, the Executive Director of the Pharmaceutical Society of South Africa has said.

Commenting on a nationwide pharmacists' protest against rising medicine prices, Mr Van der Merwe said the single most important factor which would dramatically lower prices was the reduction of the artificially high ex-factory price to the private sector.

Because of the competition enforced by the State's tender system of purchasing drugs, manufacturers slash their prices drastically and, in an attempt to recoup their costs, increase their mark-ups to the private sector.

"If prices are not reduced, medical scheme membership costs will continue to rise and members will run out of benefits," Mr Van der Merwe said.

He said it would not help much for pharmacists to lower their mark-ups.

"You can lower them only so far before you go out of business. Many pharmacists do keep mark-ups much lower than others as it is and this is their right."

Mr Van der Merwe said health authorities had been "warned" that a pharmacists' protest was imminent.

Cut medicine costs, pharmacists warned

w/t Argus 26/11/88

RB 96

By MAGGIE ROWLEY
Business Staff

IF EFFORTS to reduce the high cost of medicines issued to social pensioners and poor people failed, the Cape Province would have to consider supplying the medicines itself, Mr Gene Louw, Adminsitrator for the Cape warned.

He said that the cost for these medicines in the Cape Province alone for the current financial year would be about R35-million.

"Although various efforts have been made to reduce this expenditure it was stated quite categorically by the Adminsitration at the last CPA/Pharmacuetical Society of South Africa Liaison Committe meeting that if these efforts failed to produce a significant decrease in costs, the Adminisration would have no alternative but to implement other measures and possible supply these mediciens themselves."

This could save the province as much as R18-million a year, he said.

He said due to money shortages, the CPA had had to already withdraw dispensing from the private sector in nine towns. To curb the enormous expense this function was now carried out by provincial hospitals.

Speaking at the official opening of Lennon's R6,5-million research and development facility in Port Elizabeth, Mr Louw said that huge mark-ups resulted in consumers, who purchased medicines through the private sector, paying more than double the price than was charged by manufacturers.

He said that South Africans would spend about R800-million on prescription medicines alone this year.

Dispensing fee

"Standard discounts to wholesalers and retailers are 17,5 percent and 33 percent respectively. Thus a product sold by a manufacturer at R8,25 would rise in price to R10 at wholesaler level and R15 at pharmacy level.

"A standard dispensing fee of R1,30 is then added (R16,30), a broken pack fee of 10 percent if applicable (R17,93) and a photocopying fee for the prescription so that reimbursement from a medical insurance society can be obtained (R18,03.

"The product is then also liable to the 12 percent sales tax bringing the cost to the consumer to R20,20."

Mr Louw said that the same medicine would cost the State R8,25, plus 12 percent sales tax and a four percent handling fee. Thus the State would pay R9,61 which was more than R10 less than the private patient.

He stressed that this example did not highlight the price difference that could result from the sale of an off-patent medicine where the same manufacturer could set the tender price far lower to undercut competition while maintaining the public sector price.

"Generic medicines therefore, which have the same chemical and therapeutic properties as the original are being produced at extremely competitive prices.

"Suppliers admit 'quite frankly' that they make adequate profits on the sales of these medicines,"he said.

There was general consensus that the "First World/Third World" division represented in health care in this country was bound to persist for many years and that, so long as it did, the State had a social responsibility to provide at least some of the services for some of the population.

The State, he said, was committed to the tender system which ensured that the cheapest acceptable medicines were obtained and supplied to patients.

Through the various hospitals, institutions and clinics, the State uses about 60 percent of the volume of medicines dispensed in South Africa, representing about 35 percent of the total rand value of these medicines. In the Cape Province this represented about R127-million for the 1987/1988 financial year.

The increases in locally manufactured medicines was markedly lower, "a tribute to the local manufacturing industry. When high quality generic medicines were available every support should be given to local manufacturers.

He said the initiative taken by Lennon, the largest volume pharmaceutical manufacturer in the Southern hemisphere, in establishing the Reserach and Development facility to enable the formulation of acceptable generic medicines, was to be applauded. The new department, employing 100 people, is the culmination of Lennon's R45-million expansion and modernisation programme.

Cut back on doctors, says medical aid chief

AR6.5
14/12/88

The Argus Correspondent

PRETORIA. — An increase of between 17 and 25 percent in medical scheme subscriptions is regrettable but necessary, according to Mr Rob Speedie, executive director of the Representative Association of Medical Schemes.

Medical costs had risen and the cost of medicine was expected to continue rising, partly due to the weakened rand, he said.

Patients could help by cutting back on consulting doctors for minor ailments and making more use of pharmacists.

Medication on the advice of a pharmacist would reduce the number of consultations and expensive prescriptions.

Mr Speedie said the average prescription had increased from two to three items. The use of generic equivalents would result in substantial savings.

Patients and doctors needed to be made more aware of costs.

Chemist's mark-up 'an average 97 pc'

Consumers pay almost 100 percent more for drugs than pharmacists once all the pharmacists' various markets, fees and charges have been taken into account.

By Caroline Mehliss

A study into the mark-up in the retail chain of ethical drugs by International Marketing Survey (IMS) found that SA pharmacists bought drugs worth R819 million from wholesalers.

They got an average 10 percent discount and paid R737 million. Pharmacists then sold the drugs to consumers for a total R1 456 million — a mark-up of R719 million or 97 percent.

Pharmacists have four separate "add on" charges:

- A 50 percent mark-up on the wholesale selling price. This amounted last year to R409,5 million on the R819 million worth of drugs bought.
- A broken bulk charge of 10 percent which can be charged when a pharmacist has to break a large pack to make up a prescription. This is usually charged on 80 percent of products dispensed, and came to an amount of R98 million.
- A dispensing fee of R130 per R100 prescripted items. On the R93 million prescripted items, this added up to R121 million.
- A 15c charge for photostats of scrips for medical aid claims. On the 54 million prescriptions issued last year, this amounted to R8 million.

Mr Boet van der Merwe, executive director of the SA Pharmaceutical Society, said some pharmacists were cutting down their mark-ups by charging less than the usual 50 percent. He also said the 15c photostat fee was simply recovering costs of the photostat service.

HEALTH & DISEASE — PHARMACISTS

1989 - 1990

Ethical codes outdated, says pharmacist

The head of a group of five large pharmacies yesterday criticised ethical conventions prohibiting the advertising of medicine price-cutting.

The executive manager of the Randburg Community Pharmacies Group, Mr Anton Slabbert, said most pharmacies offered high discounts, but were not allowed to advertise that fact.

The pharmacies were not allowed to say their prices were lower than or "just as low as supermarket prices" due to "outdated and pretentious ethical codes" at the cost of the consumer and the national economy.

Mr Slabbert said the price of medicine had risen well above the national inflation rate in the last two years. — Staff Reporter.

High medicine costs: Tender system defended

By KAREN STANDER
Medical Reporter

THE Department of National Health has defended the government tender system against claims that it contributes towards the high cost of medicines, pointing instead to the distribution chain between manufacturer and consumer as a major factor.

Responding to a recent advertising campaign and letters published in newspapers, a spokesman for the department said the price doubled even before the addition of general sales tax as a result of this distribution chain.

The government was concerned that the medicine price index had in the past few years shown a more rapid increase than the consumer price, he said.

The government tender system was not restricted to the buying of medicines but was a general system employed for all State buying.

The system was open and voluntary and no manufacturer was compelled to take part.

Maximum prices were not specified in tender documents — only specifications and quantities of the products.

Tenders were considered by the government tender council, on which the private sector was represented, and contracted to the company that could supply the best product. The cheapest product was accepted only when it complied with all specifications.

"Profitable"

The spokesman said it was claimed that the high cost of medicines in the private sector was the result of low prices paid by the State, with suppliers compensating for their loss of profits by increasing the price of medicine supplied to the private sector.

However, the pharmaceutical manufacturing industry had already indicated publicly that the supply of medicines to the State was profitable, especially because it made a significant contribution to fixed costs.

"The industry has also indicated that the prices of medicine supplied to the State have little, if any, influence on private-sector prices."

The government had to get the best value for taxpayers' money, while on the other hand it was blamed for high medicine prices in the private sector.

"The factors contributing to the final consumer price of medicine have already been investigated by various commissions of inquiry.

"One factor that certainly contributes to the high cost of medicine is the distribution chain (between manufacturer and consumer)."

The Cabinet has assigned Dr Wim de Villiers to investigate the problem.

Cape Times
15/2/89 ★ Cape

Pharmacy Council slated for 'intesests in profit'

Medical Reporter

THE Pharmacy Council could not allow itself to be influenced by commercial interests, despite the fact that it operated within a commercial milieu, Dr M H Veldman, deputy Minister of National Health and deputy Minister of Health Services in the House of Assembly, said at a meeting of the council yesterday.

Opening the meeting of the council — the statutory body of the pharmaceutical profession — at a Sea Point hotel, Dr Veldman said he had in the past "got the impression that in your decision-making, you (the Pharmacy Council) have been influenced by the commercial interests of certain groups in the pharmacy profession".

He said despite operating within a commercial milieu, the council's role was to oversee the long-term professional role of the pharmacist by implementing professional standards and controlling the practice of pharmacists.

Referring to calls from the pharmaceutical profession for greater legal protection and to the relationship between dispensing doctors and pharmacists, Dr Veldman said this relationship could not always be regulated by rules.

● The council yesterday referred a memorandum about the cost of medicines and replies from various government departments to its executive committee for consideration with a view to presenting the council's views to the Minister of National Health and Population Development, Dr Willie van Niekerk.

The memorandum, drawn up by the council, lists as contributing factors to the cost of medicines customs duties on imported raw materials and general sales tax on drugs.

● The council elected its new office-bearers yesterday. The new president is Professor A P G Goossens, the vice-president Mr D Sutherland and the treasurer Mr N de Bruin. They will serve a five-year term of office.

Govt raps chemists in 'high-prices' row

Staff Reporter

Cape Times 20/2/87

THE Minister of National Health and Population Development, Dr Willie van Niekerk, has attacked the Pharmaceutical Society of South Africa for "insinuating" in an advertisement that the state is "not doing anything" about the high cost of medicines.

In the advertisement placed in November last year, the society's Western Province branch chairman, Mr Cyril Tucker, and Boland chairman Mr Kevin Scott appealed for "powerful consumer protest" to press for an equitable pricing structure.

"Help us to persuade the government to impose a standard ex-factory price from the manufacturers based solely on quantity.

"A concerted consumer protest may well force the issue and bring the price of medicines down significantly," the advertisement said.

Mr Tucker said the advertisement was placed because the pharmacies had to pay manufacturers much more for medicines than the state, dispensing doctors and private hospitals.

He said dispensing doctors and private hospitals were buying medicines at much lower prices than pharmacies but selling them to the public at the same price as pharmacies.

Pharmacies were trying their best to reduce medicine prices which were "incredibly expensive" but were unable to compete because manufacturers had three watertight selling areas in the state, dispensing doctors and private hospitals.

In an open letter to pharmacists, the minister said it was "surprising that the advertisement was placed" since five meetings had been held with various pharmaceutical bodies during which it was agreed that "one exit price based on quantity should apply for all end suppliers".

"It is strange that the officials who placed the advertisement were not informed about the agreement of which their association is part," Dr Van Niekerk added.

Mr Tucker said yesterday that he was very well aware of the meetings with the minister but the problem was that there had been many meetings and inquiries over the years but nothing had been done about the unfair pricing structure.

He said that the advertisement was certainly not intended as an attack on Dr Van Niekerk and his ministry.

Mr Tucker said that his society had tried to persuade the government to get the manufacturers to charge the same price to everybody per volume of purchase.

Mr Scott said that in certain instances private pharmacies paid 10 times more for the same products as the state paid.

'Some' chemists to lower prices

Cape Times 7/3/89

A GROUP of retail pharmacists from all over South Africa will shortly announce a 20 to 25% cut in the costs of their prescription medicines, the Minister of National Health and Population Development, Dr Willie van Niekerk, said in the House of Delegates yesterday.

He said the announcement would be made "in the next few weeks".

The cost of medicines — which has drawn the government and retail pharmacists into a gloves-off row — has already increased by an average 33% this year.

Dr Van Niekerk was reported at the weekend as saying that the price cuts could be made if negotiations between his department, medicine manufacturers and wholesale and retail pharmacists succeeded. Another meeting is scheduled this week. It is one of a series under the chairmanship of Dr Coen Slabber, director-general of the Department of National Health, which has been taking place since November.

Call to end tender system for medicines

By Toni Younghusband, Medical Reporter

The abolition of the State tender system of purchasing medicines would save the consumer as much as 80 percent on the price of drugs, Mr Gary Köhn, president of the South African Association of Retail Pharmacists (Saarp) said yesterday.

Addressing the 39th annual general meeting of the the association, Mr Köhn asked how it was possible that medicine sold by manufacturers to wholesalers was 40 times more expensive than that sold to the State.

COMMISSION

The wholesaler then put on his markup as did the pharmacist. By the time it reached the consumer, the price was hugely inflated.

Mr Köhn asked what possible justification there might be for this price difference and said he hoped the De Villiers Commission report on drug prices, which was scheduled to come out next month, would come up with a solution.

He pointed out that a report compiled by the University of Pretoria showed that the community pharmacist did not make excessive profits.

Medicines now '80 percent' too expensive

ARGUS 7/3/87 96

The Argus Correspondent

JOHANNESBURG. — The consumer would save 80 percent on the price of drugs if the State tender system for medicines was abolished, says Mr Gary Kühn, the president of the South African Association of Retail Pharmacists.

He told the 39th annual meeting of the association yesterday that medicine sold by manufacturers to wholesalers was 40 times more expensive than that sold by manufacturers to the State.

The wholesaler then put on his mark-up, as did the pharmacist. By the time the drugs reached the consumer the price was hugely inflated.

"What justification could there be for the price difference?"

Report

He hoped the De Villiers Commission report on drug prices, to be released next month, would suggest a solution.

Mr Kühn quoted these examples of medicine price differences:

● Bactrim 500mg: R32 (tender price), R186,40 (wholesale price).

● Naprosyn 250mg: R35 (tender price) R128,99 (wholesale price).

● Zyloprim 300mg: R1,30 (tender price per box of 30), R21,97 (wholesale price).

● Brufen 400mg: R15,35 (tender price for 250 tablets), R88,30 (wholesale price).

● Amoxil 250mg: R12,56 (tender price per 100), R45,10 (wholesale price).

Angry

It was the pharmacist who had to face the angry consumer and was constantly blamed for inflated drug prices.

But an official report compiled by the University of Pretoria had shown the community pharmacist did not make excessive profits.

Recent figures had shown the average retail pharmacy operated on a net return on investment of less than five percent.

● Sapa reports that the Minister of Health, Dr Willie van Niekerk, told Parliament yesterday that a group of retail pharmacists from all over South Africa will within weeks announce a 20 to 25 percent cut in the cost of their prescription medicines.

Dr van Niekerk told the House of Delegates: "It will make us all proud when chemists come forward and do a thing like this themselves."

Take lead

He had made representations to the Minister of Finance, Mr Barend du Plessis, on the possible abolition of sales tax on medicines. But he and Mr du Plessis felt it would be preferable to subsidise only those who could not pay.

He did think that VAT would be levied on medicines.

Earlier Mr P I Devan (Solidarity Cavendish) said the government should take the lead in trying out a whole range of new ways to control health costs.

There should also be a drastic revision of the Medical Schemes Act.

He suggested a medical cost containment board be established to monitor health-care costs and find ways of cutting them.

Major threat to pharmacists

By Toni Younghusband, Medical Reporter

Pharmacists should make their businesses less dependent on prescription dispensing and look at other services which no one else could supply, the professor of pharmacy at Potchefstroom University, Professor Anton Dreyer, urged yesterday.

Professor Dreyer's suggestion comes in the wake of the raging dispute between pharmacists and doctors who are now dispensing medicines from their consulting rooms.

Speaking to a group of pharmacists in Johannesburg, Professor Dreyer warned that the pharmacist could not afford to sit back and have someone else solve his problems.

He pointed out that the dispensary was, on average, responsible for more than 50 percent of the turnover in retail pharmacies in this country.

The threat to pharmacists by dispensing doctors was therefore a major one and it was up to the pharmacist to convince the Government and the public that only the pharmacist could professionally dispense medicine.

"Doctors do not really dispense medicines, they simply distribute them to patients. We should not give doctors who engage in such practices the dignity of describing their activities as dispensing.

"Dispensing responsibility has been shaped, honed and refined by pharmacists over the past 100 years in this country. It embraces broad responsibilities and is too complex and too important to be left to doctors. Physicians don't dispense any more than pharmacists prescribe," he said.

However, he did not expect the dispensing doctor to vanish overnight and urged pharmacists to look at ways of making themselves less dependent on this area of pharmacy.

Mr Gary Kohn, the president of the South African Association of Retail Pharmacists said the trading doctor was being allowed to expand and continue by the medical council, and the Government had turned a blind eye.

Angry chemists accuse Minister of 'onslaught'

Star 8/3/89 (96) 89

By Toni Younghusband
Medical Reporter

The South African Association of Retail Pharmacists yesterday adopted a motion of no confidence in the Minister of National Health and Population Development, Dr Willie van Niekerk.

Following a heated debate, more than 200 pharmacists voted against Dr van Niekerk during the association's annual meeting in Johannesburg.

The debate, which was initially open to the public, was declared "in camera" halfway through, when association members loudly aired their grievances against the Minister.

The pharmacists later issued a formal statement, accusing Dr van Niekerk of a continued onslaught on retail pharmacists to the detriment of public health and of failing to address vital health matters.

They slammed his decision to allow the continued sale of skin lighteners which contain hydroquinone, a substance which research has shown can be dangerous.

The pharmacists said Dr van Niekerk was being unrealistic in blaming the retail pharmacist for high drug prices and in calling on them alone to bring prices down.

No confidence in Minister — pharmacists

BDay 8/3/87 (96)

DIANNA GAMES

THE SA Association of Retail Pharmacis s (SAARP) yesterday declared a motion of no confidence in Health Minister Dr Willie van Niekerk after its 139th AGM, held over the past two days in Johannesburg.

It also resolved that SAARP make an immediate application to the Minister to exempt prescription medicines from GST, and that raw materials used in prescription medicines be exempt from import surcharge.

SAARP president Gary Kohn listed the reasons behind the dissatisfaction with Van Niekerk as including his:

☐ failure to address the problems created by the discriminatory pricing policies of manufacturers of medicines;

☐ unreal demand that the retail pharmacists in isolation bear total responsibility for the reduction of the price of medicines;

☐ failure to take positive action to resolve the deteriorating relationship between the medical and pharmaceutical professions in curtailing the activities of the trading doctor (who also dispenses medicines);

☐ reluctance to deal with the deprivatisation actions of the provinces in moving pharmaceutical services from the private to the public sector, especially in view of government's privatisation policy; and

☐ continued onslaught on retail pharmacists to the detriment of the public interest.

● See Page 2

CHF-Tuk
8/3/89
96

Medicines: Support for no-GST call

JOHANNESBURG. — A request for an immediate application to the Minister of Finance to exempt prescription medicines from GST was overwhelmingly supported at yesterday's session of the Retail Pharmacists Conference.

The National Committee of the South African Association of Retail Pharmacists (SAARP) will also make representation to the minister with the urgent application that the raw materials used in prescription medicines will be exempt from import surcharge.

The committee further agreed to ensure that a post-graduate course in basic veterinary medicine and pharmacology be offered to all practising pharmacists.

In conjunction with this recommendation, a request will be made to the Medicines Control Council to allow pharmacists to sell certain categories of veterinary medicines. — Sapa

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Pharmacists want GST exemption

A MOVE for an immediate application to the Minister of Finance for exemption of prescription medicines from GST was overwhelmingly supported at yesterday's session of the retail pharmacists conference.

The National Committee of the SA Association of Retail Pharmacists will also ask that the raw materials used in prescription medicines be exempt from import surcharges.

The standardisation of clearly printed, indelible expiry dates on all medicines was also approved and the national committee will make representation to the Medicine Control Council in this regard.

The national committee also agreed to ensure that a post-graduate course in basic veterinary medicine and pharmacology be offered to all practising pharmacists. The course would be intensive enough to allow qualified pharmacists to fill the gap when no vet was available.

In conjunction with this recommendation, a request will be made to the council to allow pharmacists to sell certain categories of veterinary medicines. More restricted medicines should be available to those pharmacists who had successfully completed the proposed course.

If this request is met, the move to self-medication under the guidance of the community pharmacist will be extended further to include family pets, and livestock in some areas. — Sapa.

Drug costs: Mediscor behind cut

By MEG BRITS

A NEW corporation, Mediscor, is behind the scheme to cut the spiralling cost of prescription medicines by 20-25% from April 3.

The general manager and chief executive of Mediscor — or Medicine Distribution Corporation — is Mr J D van Zyl, immediate past president of the SA Pharmacy Council, the statutory policy-making body for wholesale and retail pharmacists.

Mr Van Zyl was also, until August last year, MD of the Amalgamated Chemists' Association (ACA). ACA is the wholesaler associated with the Plus group of retail pharmacists.

He said the reductions in medicine prices would be available only to members of contracting medical schemes.

Mediscor would contract with various medical-aid schemes and societies to appoint member retail pharmacists in the areas in which the schemes wanted them, he said.

It will then buy medicines in bulk from the manufacturers and other suppliers and distribute them through its retail member outlets.

Obviously, Mr van Zyl said, it would be able to negotiate discounted prices with bulk buying power, and the saving would be passed on to consumer at the retail end.

It does not appear that existing wholesale groups, of which there are eight in the country, have ever used their combined buying power (some R450m last year) to negotiate rock-bottom pharmaceutical prices.

Mr Van Zyl said the primary objectives of Mediscor were to combat the high cost of medicine, to improve the standard of services rendered by the pharmaceutical profession and to enable members of medical schemes to enjoy the full benefits of the expert knowledge and skill of pharmacists.

Most buyers of medicine in the private sector, he said, were members of medical-aid schemes. The distribution system to be used by Mediscor would reduce the over-the-counter prices of prescription medicines by at least 20% and would also help to keep medical-aid subscriptions down.

However, he said it would not be up to Mediscor whether medical-aid schemes told their members to obtain their prescriptions through specific retail outlets.

Mediscor retail members would also not be allowed to advertise their lower prices, he said.

Mr Van Zyl said he was making the announcement about Mediscor, originally scheduled for the end of March, because Health Minister Dr Willie van Niekerk had been accused of being "very secretive" about the group.

He said that because of "sensitive negotiations all over the country", he had asked the minister not to disclose the name of the group.

Dr Van Niekerk could not be contacted for comment yesterday.

● A spokesman for the Representative Association of Medical Schemes yesterday said Rams welcomed the move.

'Stop war of words' appeal to pharmacists

RUSTENBURG — National Health Deputy Minister Dr M Veldman is appealing today for a halt to the "unsavoury war of words" over the pharmaceutical profession.

In an address — released in advance to Sapa — to a conference of hospital pharmacists here, he says threats benefited no-one.

"I believe there are more sensible ways of handling problems of this nature," he says.

However, the fact remained that the cost of medicines was generally regarded as being too high.

Present measures undertaken by government and medical funds were aimed at cost saving and the delivery of a cost-effective service with the focus on medicines. This approach was now being followed world-wide and not just in SA.

It placed a great responsibility on the shoulders of the pharmaceutical manufacturing industry as well as the professional members of the health team.

"There is no doubt that you, as pharmacists, have an important and valuable role," he says.

□ New ethical rules would have to be brought in if doctors did not act on their own initiative to cut the cost of medical care by avoiding excessive or unnecessary treatments, Professor F G Gelderhuys, president of the Medical and Dental Council, said in Stellenbosch last night, reports Sapa.

Whether there would be more regulation or more deregulation was in the hands of the medical profession itself.

□ GERALD REILLY reports from Pretoria that pressure is increasing on government to scrap GST on drugs and medicines, against the background of the soaring costs of illness.

Recent appeals have come from doctors and pharmacists.

Row over bid to sell cut-price medicine

S/Times 12/3/87 (96)

By GWEN GILL

A GROWING number of pharmacies are cutting the costs of prescription medicines.

Medical aid members in many parts of the country could be paying 20 percent less for these within months, said Mr Kosie van Zyl, managing director of a new group, Medicine Distribution Corporation.

He said this week at least 50 pharmacists had approached him to join in the discounting since details of his operation were revealed two days ago.

Since last October, a large Pretoria pharmacy, Pharmarama, has been quietly cutting prescription prices by 25 percent.

But a huge row is brewing in pharmaceutical circles over what the professional bodies see as support for a commercial venture by Minister of Health Dr Willie van Niekerk.

Mr Van Zyl has been on the Pharmacy Council for 25 years, the last five as president.

He said: "Mediscor's operation will be like a franchise.

"Our aims are to bring down the cost of drugs, improve the standard of pharmaceutical practice in South Africa and enable medical aid members to enjoy the full benefits of the expertise of the pharmacist.

"We are expecting between 500 and 1 000 of the country's 2 700 pharmacies to join us. We should be able to buy in massive quantities at a discount. That's how we'll be able to cut the price of prescription medicines."

Unpleasant

Selling prescription drugs at discount prices breaks an ethical rule of the pharmaceutical industry and could result in pharmacists not being allowed to practice.

Mr Gerhard Slabbert, a director of Pharmarama, said this week: "Consumers are flocking into my store to see what's going on."

Though it welcomes moves to cut medicine prices, a spokesman for the Pharmaceutical Society of South Africa this week slammed the Minister of Health's "use of his privileged position" to draw the public's attention to Mediscor.

The Deputy Minister of Health Services in the House of Assembly, Dr Michael Veldman, moved on Friday to cool down the row.

He appealed to all parties to end the "unpleasant war of words" between pharmacists and the Government in a "responsible manner".

Industry sources warned that cutting prices could mean many pharmacists going out of business.

"A survey last year showed that if prescriptions were discounted by five percent, 40 percent of pharmacies would have to close. The figure rose to 80 percent if a 15 percent discount were given."

However, neither Mr Slabbert nor Mr Van Zyl believe it will be necessary for pharmacists to lose their jobs.

Mystery plan to bring down drug prices

Star 10/3/89



By Toni Younghusband, Medical Reporter

Almost half the total number of registered pharmacies in the country are likely to join a mystery scheme to bring down the price of medicine, the head of the scheme, Mr J D "Kosie" van Zyl, has claimed.

Mr van Zyl, general manager of the Medicine Distribution Corporation (Mediscor), said from his office in Cape Town yesterday that he was negotiating with pharmacies countrywide to form a group of pharmacists who would cut their prices. He expected between 500 and 1 000 pharmacies to join.

Mr van Zyl's scheme was revealed by the Minister of National Health and Population Development, Dr Willie van Niekerk, in Parliament this week. However, Dr van Niekerk did not name Mr van Zyl's company.

In answer to allegations by the South African Association of Retail Pharmacists that the Minister was being secretive about the scheme, Mr van Zyl came forward yesterday.

He claimed his scheme would bring down the price of prescription drugs by between 20 percent and 25 percent.

In an interview with The Star, Mr van Zyl said he was reluctant to reveal too much about the scheme because he was involved in very sensitive negotiations.

"I hope to have the scheme in operation within the next few months. I have been working on this scheme for a long time now and am speaking to various pharmacies," he said.

Mr van Zyl said his group was a pharmacy group rendering a service to medical aid members.

The scheme was aimed at medical aid members.

He said he did not want to reveal now how his scheme would operate. He would not say how the group was financed.

"That is personal," he said.

Star 15/3/89 96

Backing for pharmacy group 'disconcerting'

Medical Reporter

The South African Association of Retail Pharmacists had found it "disconcerting" that the Minister of Health, Dr Willie van Niekerk, was giving support to a pharmacy group which had promised to cut drug prices by up to 25 percent, the association's executive director, Mr Dave Pleaner, said yesterday.

He was reacting to Dr van Niekerk's announcement in Parliament last week of a pharmacy group which was promising to cut drug prices by between 20 percent and 25 percent.

The group, Mediscor, is headed by Mr J D "Kosie" van Zyl, the immediate-past president of the Pharmacy Council, a statutory body empowered by the Minister to monitor the standards of services rendered by professional pharmacists.

Mr Pleaner said he found it disconcerting that Dr van Niekerk should give "overt support to any particular commercial pharmacy group".

"Commercial pharmacy groups have been in existence for many years and, frankly, I'm surprised that the Minister chose to single out Mediscor and openly support them.

"While we commend any effort to reduce the price of medicine, the concept of discounting is not an innovation introduced by Mediscor," Mr Pleaner said.

B/Day 15/2/89

Phace offer exclusive to pharmacists

96 RICHARD BARTLETT

PHACE COSMETICS launched an exclusive share offer nearly a year ago but still has close to half the available shares to sell.

Phace joint MDs Chris Meagher and Noel Fisher registered this unlisted public company in April last year with the intention of selling 300 of the company's 710 ordinary shares to registered practising pharmacists.

The share offer, which opened in April last year, has an authorised share capital of 710 ordinary shares and 1,5-million 6% preference shares.

The share offer closed on June 20 last year but had been extended for a period of 30 days continuously since then and will be until all 300 have been sold.

The 300 shares available to pharmacists must be bought in the ratio of one ordinary share to 5 000 prefs.

The remaining 410 shares, unlinked to preference shares, are owned by Avroy Shlain Cosmetics (51%), Fisher (24,5%) and Meagher (24,5%).

Avroy Shlain Cosmetics MD Avroy Shlain said he saw the investment not as the creation of a competitor but rather as working with a competitor.

Over half of the 300 shares available to pharmacists had been sold in the past 11 months, said Fisher.

Projected profits for Phace in the 1988/89 season were R1,8m. Turnover is expected to increase by 76% one year after the launch of the company's products this month.

Considering that advertising had not yet taken effect the outlook was very positive, said Fisher.

Public over-paying

Pharmacists in attack on tender system

Star 27/4/89

96

By Helen Grange

The enormous cost of medicine in the private sector could be greatly reduced if retail pharmacists were able to purchase their stocks at the same rates applicable to state purchases.

This is the view of Mr Gary Kohn, national president of the SA Association of Retail Pharmacists, who said this week that retail pharmacists were charged far more for medicines than was the State, which purchased medicines at tender prices.

"The State purchases 85 percent of medicine produced at 20 percent of the overall cost, which means that the remaining 15 percent of medicine sold to the private market must have a high mark-up to sustain losses incurred at tender level," said Mr Kohn.

"This results in the retail pharmacist having to pass the costs on to the patient, who ends up indirectly subsidising State medicine," he said.

Mr Kohn pointed out that efforts by the private market to gain access to the tender market had not been successful.

"Our association has appealed to the Government to help us narrow the gap in the tender and private market, and the Minister of Health and Welfare is looking into this problem," Mr Kohn said. A Government report was expected to be tabled in September.

Examples of the disparate costs of medicine could be evidenced in the tender price of an antibiotic at R12,56 as opposed to the wholesale price of R45,10.

An anti-gout preparation cost R1,30 at tender level and R21,97 at wholesale level, and an anti-inflammatory cost R35 at tender level and R128,90 at wholesale level.

Another factor in the high cost of medicine was the sub-stantial difference between the costs of generic (patent-expired) and normal medicine prescriptions.

"Generally, the doctor does not give sufficient consideration to the price of medicine he prescribes, and because medical aid tariffs are nominal, the patient often ends up paying the difference on an unnecessarily expensive medicine."

An anti-gout treatment, for example, cost R54,26 on a generic prescription and R95,37 on a normal prescription.

"The pharmacist is unable to change a doctor's prescription unless the patient gets the consent of the doctor," said Mr Kohn.

Mr Kohn added that customs duty on raw material or primary medicine ingredients also contributed to the high cost of medicine.

Medicine discount war looms

B Day 18/5/87

A DISCOUNT war could develop between pharmacists and medical schemes if some pharmacies agree to contract exclusively to certain schemes outside the Pharmceutical Society of SA.

Lex Tannebaum of the National Wholesale Drug Association warned delegates to the PSSA national conference in Johannesburg yesterday that certain medical aid schemes were forming Preferred Provider Organisations.

These expected pharmacists to contract with them for medicine supplies at discounted prices in return for exclusivity.

However, the association was strongly in favour of the PSSA contract system, which allowed every member to benefit from contracts.

Tannebaum said if some medical schemes succeeded in squeezing big discounts, the industry would have to give big discounts to all private medical aid schemes, which it would not be able to afford.

DIANNA GAMES

SA Association of Retail Pharmacists (SAARP) president Gary Kohn said certain medical scheme administrators and medical aid schemes were trying to induce pharmacies to offer unrealistic discounts on prescription medicines.

He said there were attempts to create an impression prices should be reduced by retail pharmacists based on "excessive profits", while the real intention was to get additional discounts.

Enforceable

The problem to be addressed was that retail pharmacists were only able to get medicines at already inflated prices. He said even if they gave medicine at cost, it would still exceed prices available on tender.

He also said it was essential an enforceable end price from manufacturers, based solely on volume, be introduced soon by the Competition Board, with disciplinary action taken against those not complying with it.

The PSSA conference resolved this week to ask the board to declare such a practice regarding buyers in the private sector, and that its national executive investigate implementation of the same, including government's tender system.

Kohn said among the reasons SAARP had declared a no-confidence motion in Health Minister Willie van Niekerk was his failure to address problems created by manufacturers' discriminatory pricing policies.

Coupled with this was his demand that the retail pharmacist bear full responsibility for reducing medicine prices.

He said it was a matter of urgency that the Medicines Control Council introduce a list of generic substitutes. This would help reduce costs.

☐ Willie Kock was voted in for a second term as PSSA president yesterday.

rch first part of the year, which encouraged industrialists to proceed with

nation's savings with the banking system stood at R8,4bn at March 31, 1989.

Health Minister's attitude 'insensitive'

DIANNA GAMES

THE Pharmaceutical Society of SA (PSSA) yesterday passed a resolution expressing displeasure at the "insensitive treatment and unco-operative attitude" of Health Minister Willie Van Niekerk towards the pharmaceutical profession.

The resolution, voted in on the final day of the PSSA's four-day annual conference in Johannesburg, follows repeated requests from the profession to Van Niekerk to stop provincial hospitals taking trade away from the pharmacists in outlying areas.

Despite the PSSA putting forward cases where this had happened, nothing had been done, and a number of such pharmacies had to close down as a result. More closures were likely.

The PSSA then voted to ask its national executive to meet provincial administrators and the Minister of Constitutional Development to negotiate for district surgeons' prescriptions to be given to pharmacies rather than provincial hospitals.

The PSSA said this was necessary to ensure the continued livelihood of many retail pharmacies.

The PSSA resolution came just a few months after the SA Association of Retail Pharmacists passed a motion of no confidence in Van Niekerk at its annual conference.

Comment from Van Niekerk's office was not available yesterday.

Aerosol

The PSSA also voted yesterday in favour of urging relevant government departments to make it obligatory for all products, preparations and apparatus emitting CFC gases, which are harmful to the ozone layer, to be phased out.

The Aerosol Manufacturers' Association would be urged to provide all technical assistance possible to meet the 1990 deadline for aerosols, in accordance with the Montreal protocol, it said.

President of the Society of Cosmetic Chemists, Wally Hopton, said at the conference that already 50% of aerosol cans were CFC-free.

B/Day 12/6/89 96

Pharmacists are 'facing a crisis'

GERALD REILLY

PRETORIA — The retail pharmacist was in a crisis situation which was actually a fight for survival, SA Association of Retail Pharmacists president Gary Kohn said here at the weekend.

At an Afrikaanse Handelsinstituut conference on pharmacy, he said the *status quo* which had existed in the pharmacy industry for the past few years was fast disappearing.

This was shown by the expanded activities of "commercial doctors", the unrealistic difference between the purchase price of medicines in the private and public sectors and pharmaceutical manufacturers who discriminated in applying a uniform unit purchase price.

"We must enlarge the pharmacists' role and extend it with specialisation in certain key areas, including diabetic care, acne, baby care and health foods and vitamins".

Responsible and enlightened self-medication could make a big contribution to limit the spiralling medicine prices,

Here the pharmacist had a major role to play as an adviser. Pharmacists could also request the Medicine Control Council to reschedule certain Schedule Three and Four medicines to allow them to prescribe them under certain conditions.

Deputy National Minister M H Veldman said duplication would have to be eliminated if government's blueprint for health services was to reach its targets. He stressed that SA would never be able to afford First World health standards.

"We must accept that SA is not a First World country but a Third World land with a small First World component," he said.

CNB Trig LS 14/6/89

Discount medicine scheme: Details released

Staff Reporter

DETAILS of the new discount scheme for medicines have been disclosed.

The discounts will apply to almost 2,5 million people who will soon be able to claim a 22% discount on prescription medicines.

Mr J D van Zyl, general manager of pharmaceutical brokerage MDS Mediscor, said yesterday negotiations with some medical schemes were complete and those with others, which would give a total of almost 2,5 million members and dependants, were nearing completion.

The contracts will mean that a medical scheme member who buys prescription medicine from an MDS-linked pharmacy will, at most, have to pay his member's contribution, on which he will receive a discount of 22%.

The balance will be claimed from the medical scheme direct, via a central clearing office to be established by Mediscor.

The company, formed in March, last week signed its first deal with a medical aid scheme, the Statutory Organisations Medical Scheme, which has some 100 000 members and dependants. The members work for such organisations such as the Medical and Dental Council, the SA Pharmacy Council and most of the universities.

Retail pharmacies

The company has now completed negotiations with a group of 26 medical aid schemes administered by one Cape Town company. Members and dependants of this group total more than 500 000.

It has also opened negotiations with retail pharmacies and has already signed up several in the PWV area. It intends to kick off on September 1 with 300 pharmacies in Pretoria, the Witwatersrand and the Vaal Triangle, representing 30% of all medical schemes.

The medicine distribution system proposed by Mediscor was disclosed in March by Health Minister Dr Willie van Niekerk and it has gained increasing support from the public, medical schemes and pharmacies.

The company operates as a brokerage, which negotiates with retail chemists on behalf of the medical schemes and with suppliers of medicine on behalf of the retail pharmacies.

Contracting pharmacies undertake to dispense medicine to members of contracting medical schemes at a discount of at least 22%, made possible by the channelling of larger volumes of business through those pharmacies. Mediscor also intends to use its bulk-buying muscle to the benefit of these pharmacies — and the consumer.

Liberate pharmacists from the omnipotent prescription

Star 11/7/89 (96)

Between the Lines

MARGARET DE PARAVACINI



WE LIVE in a sick society all right, judging by the smug look on our local pharmacist's face when I walked in for the third time in two weeks, this time waving a doctor's prescription.

What finally got me to that point was the story in Tuesday's Star headed: "Contagious infection can lead to pneumonia — 'Flu bug' not flu at all, say doctors".

"I feel sorry for you, but pleased for us," grinned the chemist, totting up a bill of R72,60 for four items.

"You're not alone," he soothed. "I think there should be a law against people going to work ill and spreading their viruses ... and stress makes you more susceptible," he added, noting my strained look as I scrabbled in my purse.

"Actually, the worst patients are men," confided the cheerful apothecary. "The other day, a woman came rushing in demanding tranquillisers. Her husband was in bed with flu, she said. The maid had locked herself in the kitchen with enough ironing for a fortnight, the children had moved in with friends and she was in a terrible state..."

"That's nothing!" I sniffed between spasms of the type of coughing that drowned the parson's saw in Shakespeare's day. "Spike, our cat, has bladder trouble, Boot, the Bouvier, is recovering from eczema, TJ's still blowing his nose, my Beloved keeps forgetting his tablets and I'm just waiting for Rhett Butler, the rat, to go down with mumps."

"Now, what you need is lots of vitamins. We have a special on..."

I assured the good man that I had read all about the beneficial effects of vitamin C-filled kiwi fruit and had no need of his expensive chemicals.

But something else he said made me think as I stumbled out clutching my little bag of physics and wishing our Government would declare a National Flu Week holiday.

"Pharmacists should be allowed to dispense antibiotics without prescriptions," the chemist had said. "Busy people keep putting off going to the doctor till they're seriously ill."

True. You can't take every cough to a doctor, but wouldn't it be marvellous to just pop into the chemist, say Aaah! and be told what to do about it instead of wasting money on patent medicines.

There's the Johannesburg Hospital, lifeline to the elderly and infirm, in a critical condition itself and able to use only 833 of its 2 000 beds. Wouldn't a rash of State-subsidised clinics manned by pharmacists dealing with wintry ailments ease the situation?

When I got home, the phone rang and someone said: "Hello, howzit?"

"Fine, thanks," I croaked. With phone bills going up too, why waste more money than necessary on being ill?

● Unit trust bonsella — pheno

PHARMACEUTICALS

Fighting discounts

MDS Mediscor has been forced to postpone by one month the launch of its network of pharmacists offering cut-rate prescription medicines because of "considerable resistance" from wholesalers and other pharmaceutical interests, says MD Kosie van Zyl. The launch was set for Friday but will be delayed until October 1.

Mediscor has recruited few pharmacists in Johannesburg and the West Rand, where Van Zyl says wholesalers are exerting the pressure. However, it has built a strong network in Pretoria and the East Rand and among black pharmacists, he says.

As it happens, Van Zyl may have an unexpected ally — the Competition Board.



The board is considering charging wholesalers with breach of competition.

Under the law, retailers receiving financial backing from a wholesaler can't be required to buy more than 50% of their stock from that wholesaler. Van Zyl charges that some wholesalers, who now supply up to 100% of the stock of some pharmacies, are threatening to cut off supplies to retailers who sign up with Mediscor. The board has referred the case to the SA Police, according to board chairman Pierre Brooks.

"There has been no other official complaint, but if a boycott of Mediscor pharmacies were shown to be taking place, it would be very likely that the board would find this to be a restrictive practice," Brooks says.

Albert Sachs, director of the National Wholesale Druggists Association, defends the wholesalers, saying they're obliged to supply any creditworthy pharmacist on the same terms as any other. Also, they may not supply a company such as Mediscor on better terms.

However, Van Zyl says Mediscor will be able to offer 20% discounts — even if it can't do business with wholesalers and manufacturers. "If we get additional discounts from wholesalers it will help us, but there is sufficient margin in medicine prices to cut prices anyway."

He says Mediscor will order from the 140 short-line wholesalers, who offer the most popular brands of medicine and buy direct from manufacturers, if the larger wholesalers do boycott his company. But Lex Tannenbaum, E J Adcock wholesalers executive director, says it would be "suicidal" for pharmacists to provide 20% discounts: "They are already working on a 6% net margin."

Boet van der Merwe, executive director of the Pharmaceutical Society of SA, says there is no ruling or recommendation from the society on membership in Mediscor. But he adds: "Retailers must weigh the financial implications of any business arrangement before signing any contracts. If they offer discounts that are too large, it could drive them out of business."

He says the society opposes medical schemes that restrict a patient's choice of pharmacies. It makes its Medikredit system available to all pharmacies. "Patients are then able to vote with their feet and to go to another pharmacy if they are unhappy with the service. If they are restricted in the pharmacies they can go to, then they won't be able to do this."

Even before Mediscor begins operations, the mere threat of competition is lowering prices. Medikredit has increased its discount from 10% to 15% or more if Medikredit is used exclusively.

As SA Druggists MD Tony Karis says: "Kosie (Van Zyl) has drawn the attention of the public to the cost of medicines. He could have stimulated a wave of discounting." ■

Big protest at cost of medicines

Staff Reporter

MORE THAN 54 000 signatures have been handed to the government in a massive and nationwide show of concern for the spiralling costs of medicines and medical care.

The Housewives' League collected signatures for most of the year and earlier this month handed them to the new Minister of Health and Population Development, Dr Rina Venter, at a special meeting.

National president of the league Ms Lyn Morris, who led the deputation, has given a big thumbs-up to Dr Venter, describing her as "concerned and interested" in their cause.

"I believe we are very fortunate in our new minister, who gave the impression of being a very caring person. She was very interested in what we had to tell her.

"But I think we need to give her some time to settle into her new portfolio before we expect any major changes," Ms Morris told the Cape Times yesterday.

She said they had achieved their primary objective of making Dr Venter aware of the issues of concern.

The league started collecting signatures in March this year and Ms Morris said they were astounded at the response countrywide.

"We started the petition as a branch thing but were inundated with calls from interested people throughout the country who asked for their own petition forms, and sometimes even called back for extras.

"When we officially closed the petition at the end of July we had 54 500 signatures as well as plenty of letters of support from concerned people," she said.

Bread price

Pharmacists have plan to cut charges

Star 9/11/89 96

Medical Reporter

The profit on prescription medicines sold in pharmacies will be abolished if a South African Pharmacy Council plan is approved by health authorities.

A council spokesman said in Pretoria yesterday that this move would probably bring down the price of the more expensive medicines.

The new tariff structure is in line with a recommendation by the Competitions Board that the retail profit margin on prescription medicines be abolished.

If the new scale is approved, pharmacists will charge an hourly professional fee of not more than R42 for the dispensing of medicines.

At present the price of medicine is determined by the cost price, plus a 50 percent mark-up and a R1,50 professional fee.

The proposed R42-an-hour dispensing fee is worked out at about R6 a patient.

Details have not been finalised.

The council's recommendations must be approved by the Minister of Health and published in the Government Gazette for comment before action.

PHARMACEUTICALS

Striking back

Irrepressible drug discounter Kosie van Zyl has struck again. After getting the courts to stop a competitor, Medikredit, from advertising its own discounts (*Business* October 20), he has scented blood again. This time his target is pharmaceutical wholesalers.

In a complaint, Van Zyl's company, Mediscor, has asked the Competition Board to ascertain "whether any restrictive practices by, or involving, pharmaceutical wholesalers and retail pharmacies exist or may come into existence."

Van Zyl claims that some wholesalers are boycotting his network of pharmacies in an attempt to kill it.

Mediscor is offering 22% discounts on prescription medicines and Van Zyl says vested pharmacy interests are terrified that his discounts will play havoc with their traditionally high margins.

Wholesalers allegedly withheld medicine supplies from certain Mediscor pharmacies.

Board chairman Pierre Brooks says there is evidence from independent sources as well as Mediscor of the possibility that boycott actions had taken or were taking place.

He says this kind of boycott apparently did not take place before Mediscor was formed. "There seems to be a correlation between boycotts and Mediscor members, though I don't want to prejudge the investigation."

Alternate plan

Van Zyl says if wholesalers don't co-operate, Mediscor will have to buy directly from manufacturers. "This isn't the direction I want to go. I want to use the existing wholesaling infrastructure. Many manufacturers haven't been very friendly."

The pharmaceuticals sector is putting on a brave face for the investigation. Tony Karis, MD of SA Druggists, which includes the Link wholesaling group, says wholesalers have nothing to hide.

"I wish we had such power over retailers. Even those who fall under our umbrella have no difficulty buying a large proportion of their needs away from us. We've financed certain retailers through bonds but that doesn't put them in our pockets. If they are unhappy with our prices or service they can transfer their bond to one of our competitors, such as E J Adcock."

Business Dynamics MD Theo Rudman, speaking at this week's National Wholesale Drug Association conference in Somerset West, said Mediscor was given an opportunity to enter the pharmaceutical trade, thanks to the high price of medicine, and should bring much needed competition to the industry.

"Competition at every link in the supply chain is the best way of ensuring the lowest possible prices and the best possible quality and service."

He says the discount war isn't the only threat to pharmaceutical profits. Doctors, who dispense 25% of prescription medicines, get preferential discounts from some manufacturers and often a bonus of free medicine. He adds that medicine prices in the private sector will stay high as long as two-thirds of all medicine is sold to the State, often below cost. ■

GENERIC DRUGS

Hooked on brands

All too often it seems that government is for deregulation as long as no special interests are opposed. This time it was a heavyweight, the multinational drugmakers. Predictably, government caved in.

Under pressure from major drugmakers government has announced it will drop a clause in the new Medicines and Related Substances Control Amendment Bill that would have allowed pharmacists to dispense generic drugs rather than the more expensive branded ones doctors usually prescribe.

Pharmacists, consumer groups, manufacturers of generics and other supporters of generic drugs will get another crack at the big pharmaceutical companies, but not before the 1991 legislative session at the earliest. This is because government won't reconsider the issue until the De Villiers Report on Health is released, probably next year.

The lobby for generics, led by SA Druggists and other SA generics manufacturers, argue that up to R100m could be cut from the nation's drugs bill without compromising health if pharmacists were allowed to substitute generic drugs for branded prescription drugs.

Generic, or no-name, substitutes for branded antibiotics, Valium and many other prescription drugs, have been on the market for many years. But private-sector generic prescription sales total only R70m, far below their potential, because pharmacists are not allowed to dispense generics unless a doctor prescribes them. And doctors are usually loyal to brand names.

In the US and UK, which have far more liberal laws regulating pharmacies, the story is different. While generics make up less than 10% of SA's total prescription market, they make up 40% of the markets in the US and UK.

However, the SA generics market has grown rapidly in recent years, thanks to more medical schemes reimbursing members for no more than the generics price.

But medical schemes are ambivalent over whether substituting generics would mean long-term savings.

"There would certainly be short-term savings but if branded products were driven off the shelves, then the price of their generic equivalent may well shoot up," says Rob Speedie, executive director of the Representative Association of Medical Schemes. "The power of the big, local generic producers would be enormous."

Wellcome MD Colin Loubser calls generic substitution an unfair trading practice because the patient is not getting exactly what the doctor ordered. He doubts that generic substitution will lead multinationals to withdraw from the country.

He adds: "Innovative companies have to recoup their research costs, so they have a much higher cost base than generics companies. If a company feels it won't even recover the promotional costs on a new drug, it may not launch it."

SA Druggists MD Tony Karis says there is a lot of sabre-rattling from multinationals but they won't leave as long as they make money. "Only 25% of drugs have a generic equivalent available in SA so they would be unlucky to lose 12,5% of turnover to generics. They might even decide to reduce their prices to preserve market share."

He says that if substitution were allowed, doctors would always be able to specify "no substitute" on their prescriptions.

Pharmacists are certainly disappointed that generic substitution isn't coming yet. Boet van der Merwe, executive director of the Pharmaceutical Society, says it believes "the pharmacist should have the right to substitute therapeutic equivalents where it is considered to be in the patient's interest; the pharmacist should be allowed greater discretion in supplying a greater range of products."

But one of the thorny issues is therapeutic equivalence. Loubser says a generic drug may have the same proportion of an active ingredient but the inert substances could alter how fast the patient absorbs the drug.

There would be no issue, of course, if doctors stopped prescribing the most expensive, state-of-the-art drug when a cheaper equivalent may be just as effective.

The Medical Association of SA says it believes that doctors will mend their ways. To help them along, according to Bernard Mandell, chairman of the association's federal council, it will strenghthen its peer review system to censure doctors who overprescribe. ■



Karis



Speedie

Medical aid inquiry nears completion

LINDA ENSOR

THE Competition Board's investigation into possible restrictive practices in the medical aid sector is at an advanced stage and should be completed in about a month's time.

Board chairman Pierre Brooks says it will then be submitted to Trade and Industry Minister Kent Durr.

The board is also investigating alleged restrictive practices in the pharmaceutical and video industries.

Brooks says the aim of the investigation into medical aid schemes — which commenced early in 1989 — is to look at the role they play with regard to the costs of health services and to examine whether there is sufficient competition.

An aspect of the probe is the role of the Representative Association of Medical Aid Schemes.

The investigation has also examined whether insurance companies could become more involved in providing cost-effective medical aid cover.

Regarding the pharmaceutical industry Brooks says there have been allegations that pharmacists have been instructed to boycott Mediscor, an intermediary acting between medical aid schemes and pharmacists in competition with the Pharmaceutical Society's counterpart,. Medikredit.

Brooks says pharmacists have allegedly been threatened with a withholding of supplies by wholesalers should they contract with Mediscor which offers a discount to members of medical aid schemes contracted with it who purchase medicines from contracted pharmacies.

The investigation into the video industry which is under way concerns allegations that video distribution firms are involved in restrictive practices vis à vis video outlets in that outlets are required in terms of distribution contracts to purchase a package of videos for the first month of their launch and are not allowed to select individual videos.

DRUG INDUSTRY FIM 16/2/90

Philosophical split (96)

Outwardly, Pharmaceutical Manufacturers' Association recommendations, unveiled recently in Cape Town, are in line with the

FIM 16/2/90 (96)

views of the healthcare sector as a whole.

Most of the text is concerned with such popular themes as individual responsibility in healthcare and the promotion of privatisation and deregulation. Buried in the text, however, the grinding of axes is still audible. Though the association is an affiliate of the Pharmaceutical Society of SA, there are differences of opinion on some key issues.

When it comes to prices, the manufacturers feel immune to criticism. There have been six major investigations into the cost of medicines, starting with the Snyman Commission in 1961, and all found manufacturers' prices were not excessive.

The upshot is that the association feels it can take the high ground against the rest of the industry.

For instance, it favours allowing retail pharmacists to advertise the price of prescription medicines. However, the society is sticking to its long opposition to the suggestion. "The society, at least at this stage, believes that advertising the prices of prescriptions will have little effect upon the price of medicines, bearing in mind that doctors select the products prescribed for patients," says society executive director Boet van der Merwe.

A more serious rift is over generic substitution. The association has opposed in court the right of pharmacists to substitute a branded medicine for a cheaper equivalent and will do so again unless unambiguous legislation is passed soon. Generic manufacturers are hoping the De Villiers Report, expected to be made public this year, will support them.

Association president Hugo Snyckers is uncertain of the benefits of measures that encourage the use of cheaper drugs, such as the Maximum Medical Aid Price, which reimburses members for no more than the price of a generic.

"There are short-term cost savings in these ad hoc measures but only a proportion of medicines can be substituted by therapeutic equivalents."

Snyckers is supported by Wits Commerce Dean Duncan Reekie who argues that "the thrust towards generic substitution is possibly misplaced in that the potential savings in hospitalisation costs from the discovery of new drugs are so large that they justify the encouragement of the innovative drugs companies."

However, Van der Merwe points out that generic substitution and code lists "are found to assist in containing costs" in provincial hospitals, so by implication they should contain costs in the private sector.

The medical aid movement stands somewhere in the middle. Representative Association of Medical Schemes executive director Rob Speedie says the movement encourages generic prescribing when appropriate but wants a balance between cheap medicine and encouraging innovative research-based companies.

"SA must continue to have access to new medicines but, in order to do this, multinational companies need to enjoy sufficient returns from their branded products." ■

Pharmacists closer to adverts

PIERRE DU PREEZ

(96)

THE SA Pharmaceutical Council, at a meeting in Pretoria this week, moved a step closer to allowing its members to advertise their services. BDay 23/2/90

A spokesman said yesterday he hoped pharmacists would be able to begin advertising their products and medicines, including prescription drugs, from June.

"The date will depend on future meetings," he said. "We are also working on an advertising code."

Currently a restricted measure of advertising is allowed in the profession.

The spokesman said the advertising would serve to regulate the industry and make it more competitive.

Under the proposed advertising code, it is expected that pharmacists would be able to advertise the price of a product, but not compare prices with other pharmacies, or put competitors in a bad light. Pharmacists would also be allowed to advertise their professional services.

The establishment of a police station in Bezuidenhout Vaaley was approved in principle. However, in view of the drastic cutback in Government expenditure, I am not in a position to indicate when the police station will be erected. The acquisition of a building site will also be determined by the availability of sufficient funds.

Cape Town metropolitan area: Black housing

*20. Mr J J WALSH asked the Minister of Planning and Provincial Affairs:

(1) Whether he is considering declaring any further land in the Cape Town metropolitan area available for Black housing; if not, why not; if so, (a) what areas are being considered, (b) when will a decision be taken in each case and (c) how many persons will these areas be able to accommodate;

(2) whether accommodation in these areas will be of a permanent nature; if not, (a) why not and (b) what will be the nature of the accommodation offered?

B433E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS:

(1) Yes.

(a) (i) Land to the South-east of Crossroads, to the east of the Philippi industrial area and to the North-west of the Cape Flats Freeway.

(ii) A rounding-off of the Brown's Farm development area.

(iii) A rounding-off of Mfuleni.

(iv) Land in the Noordhoek-Kommetjie area.

(v) The remainder of Khayelitsha Town 4.

(b) It is not possible to predict exactly when a final decision concerning each of the above areas will be taken, but it is anticipated that finality will be reached with regard to all of them during 1990.

(c) (i) 42 000

(ii) 1 800

(iii) 1 500

(iv) 5 000

(v) 36 000

(2) Yes—the rest of the question falls away.

Aids programmes

*21. Mr A J LEON asked the Minister of National Health and Population Development:

Whether any funds were spent by her Department in the 1989-90 financial year on programmes aimed at preventing the spread of Aids; if not, why not; if so, what are the relevant details?

B434E

The MINISTER OF NATIONAL HEALTH AND POPULATION DEVELOPMENT:

Yes, during the financial year 1989/90 R4,5 million was spent on combating Aids. Funds were mainly spent on:

— HIV (Human Immunodeficiency Virus) laboratory tests of suspected cases,

— supplying of more condoms,

— running costs of existing Aids Training and Information Centres,

— the establishment of three new Aids Training and Information Centres,

— education by providing brochures in seven different languages to the public,

— education to professional groups by compiling and distributing professional brochures to doctors and nurses.

Charge of rape against sergeant in SAP

*22. Mr J VAN ECK asked the Minister of Law and Order:

(1) Whether, with reference to information furnished to the South African Police for the purpose of the Minister's reply, a charge of rape has been laid by a person from Site B, Khayelitsha, against a sergeant in the South African Police; if so, (a) what is the name of the accused and (b) what progress has been made in the investigation of the case;

(2) whether the accused has been suspended from the Police Force pending the outcome of the case; if not, why not;

(3) whether any steps have been taken to prevent the accused from contacting the complainant; if so, what steps; if not, why not?

B436E

The MINISTER OF LAW AND ORDER:

(1) Yes.

(a) Constable C M Nxam.

(b) It is anticipated that the investigation will be completed shortly, whereafter the docket will be handed to the Attorney-General for a decision.

(2) No, in view of the nature of the available evidence, the decision of the Attorney-General is first being awaited, after which his suspension will be considered.

(3) Yes, he was warned in writing by his station commander not to interfere with the witnesses.

Black townships: weapons issued

*23. Mr J VAN ECK asked the Minister of Planning and Provincial Affairs:

Whether his Department and/or the provincial administrations issue (a) guns and (b) other weapons to persons living and/or working in Black townships; if so, (i) to what categories of persons and (ii) how many persons in these categories in Old Crossroads at present possess guns issued by his Department and/or the provincial administrations?

B437E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS:

I do not regard it in the interest of either the country or the public to furnish this information.

Pittendrigh report

*24. Mr M J ELLIS asked the Minister of National Education:

(1) Whether the Pittendrigh report on pharmaceutical studies in South Africa has been completed; if so, what recommendations are made in the report regarding the rationalization of pharmacy schools; if not, when is it anticipated that it will be completed:

(2) whether the report is to be made public; if not, why not; if so, when?

B441E

The MINISTER OF NATIONAL EDUCATION:

(1) Yes. On request of my predecessor the Universities and Technikons Advisory Council investigated this matter and completed the report. My predecessor considered it in consultation with the Ministers of Departments of State responsible for education. It was then decided to gather further comments regarding the findings of the report from interested parties. Consultations are currently taking place between Departments of State responsible for education with the view to a recommendation to the Education Ministers in respect of the acceptance or otherwise of the recommendations in the light of the said comments.

(2) The decision to make the report public will be taken after the said consultations.

Teacher bursaries: repayment

*25. Mr K M ANDREW asked the Minister of Education:

(1) Whether teachers to whom the Department of Education and Training is unable to offer posts are required to repay bursaries provided by this Department; if so, (a) why, (b) on what terms and (c) how many teachers fell into this category in the past three years; if not,

(2) whether the money in question is written off; if so, what total amount of money was written off in the past three years?

B442E

The MINISTER OF EDUCATION:

(1) Yes.

(a) According to the bursary agreement, all bursaries are repayable if the required period of teaching service (in any education department, including the Self-governing Territories) is not rendered.

(b) The bursary debt can be repaid in one amount or in instalments as agreed to with the bursary holder.

(c) None.

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Black townships: weapons issued

*23. Mr J VAN ECK asked the Minister of Planning and Provincial Affairs:

Whether his Department and/or the provincial administrations issue (a) guns and (b) other weapons to persons living and/or working in Black townships; if so, (i) to what categories of persons and (ii) how many persons in these categories in Old Crossroads at present possess guns issued by his Department and/or the provincial administrations?

B437E

The MINISTER OF PLANNING AND PROVINCIAL AFFAIRS:

I do not regard it in the interest of either the country or the public to furnish this information.

Pittendrigh report

*24. Mr M J ELLIS asked the Minister of National Education:

(1) Whether the Pittendrigh report on pharmaceutical studies in South Africa has been completed; if so, what recommendations are made in the report regarding the rationalization of pharmacy schools; if not, when is it anticipated that it will be completed:

(2) whether the report is to be made public; if not, why not; if so, when?

B441E

The MINISTER OF NATIONAL EDUCATION:

(1) Yes. On request of my predecessor the Universities and Technikons Advisory Council investigated this matter and completed the report. My predecessor considered it in consultation with the Ministers of Departments of State responsible for education. It was then decided to gather further comments regarding the findings of the report from interested parties. Consultations are currently taking place between Departments of State responsible for education with the view to a recommendation to the Education Ministers in respect of the acceptance or otherwise of the recommendations in the light of the said comments.

(2) The decision to make the report public will be taken after the said consultations.

Teacher bursaries: repayment

*25. Mr K M ANDREW asked the Minister of Education:

(1) Whether teachers to whom the Department of Education and Training is unable to offer posts are required to repay bursaries provided by this Department; if so, (a) why, (b) on what terms and (c) how many teachers fell into this category in the past three years; if not,

(2) whether the money in question is written off; if so, what total amount of money was written off in the past three years?

B442E

The MINISTER OF EDUCATION:

(1) Yes.

(a) According to the bursary agreement, all bursaries are repayable if the required period of teaching service (in any education department, including the Self-governing Territories) is not rendered.

(b) The bursary debt can be repaid in one amount or in instalments as agreed to with the bursary holder.

(c) None.

CMH Tues 18/4/90

GST on medicines % not to be scrapped

By BARRY STREEK
Political Staff

THE government was not considering scrapping sales tax on prescribed medicines, the Minister of Finance, Mr Barend du Plessis, said yesterday.

An estimated R120-R135 million was collected in GST last year for the sale of prescribed medicines through pharmacies.

Representations had been made on many occasions for prescribed medicines to be exempted from GST and careful consideration had been given to the matter.

"It is, however, essential, particularly in the case of an indirect tax such as sales tax, for the base to be as wide as possible," he said in reply to questions tabled in the House of Assembly by Mr Mike Ellis (DP, Durban North).

"If an exemption was granted in respect of prescribed medicines, it would not only open the door for exemptions of other equally meritorious cases, but would mean that the loss of tax would have to be recovered by an increase in the rate of tax."

The Pharmaceutical Society of South Africa estimated that the sales of prescribed medicines for last year amounted to R1 040 million — giving a tax of R120-R135 million.

Pharmacist seeks right to help fight hepatitis

B1 Day 16/5/90 96

PHARMACISTS should be given authority to administer immunisation injections against hepatitis, which cost SA R120m a year in manpower productivity, Pharmacy Council member C J de Bruin said at the Pharmaceutical Society of SA conference in Bloemfontein yesterday.

De Bruin said about 2,5-million of the 50-million hepatitis carriers lived in SA. Almost 20 000 South Africans died of the disease last year.

Measles — one of the most preventable diseases in SA — was another strong case for legislation to be overhauled to allow pharmacists to administer injections.

More than 21 000 cases of measles had been reported in 1987, when 424 people died of the disease. According to the World Health Organisation, a child died from measles every 15 minutes somewhere in the world.

Yet a dramatic decrease in the number of measles cases in the US resulted

Reports by TANIA LEVY

from an extensive immunisation programme in 1975.

De Bruin said the pharmacist was in a key position to educate the community about the importance of immunisation and to encourage widespread participation in public health programmes.

Educate

Pharmacists could also increase their contribution to family planning programmes by being authorised to supply certain schedule three oral contraceptives.

De Bruin said they were in a key position to educate people in birth control, which was becoming more important as SA's population was rapidly approaching 50-million, with a baby being born every 26 seconds.

Industrial pharmacy consultant Val Beaumont said the key to survival of the profession lay in concentrating on preventative health care.

Beaumont said there were 2 700 retail pharmacists in SA compared with 3 200 dispensing doctors. Besides the surge in trading doctors, trade unions were evaluating the merits of setting up their own health services, potentially reducing pharmacists' customer base.

Ethical rules had to be amended and relevant legal issues properly addressed to release pharmacists to freely practise preventative health care.

Cholesterol and diabetes screening, drug abuse monitoring and prevention and family planning were important preventative health care areas where pharmacists could play a role, Beaumont said.

At least 80% of chronic ambulatory patients in SA were hypertensives. Hypertension was a "disease state" lacking overt symptoms yet, left untreated, it could result in a number of costly diseases such as cardiovascular, cerebrovascular and renal conditions.

Home care services expansion essential, delegates told

THE home health care market in the US would be worth more than $18bn this year, Pretoria College of Pharmacy head Prof Hugo Durrheim said in Bloemfontein yesterday.

Addressing about 200 delegates at the Pharmaceutical Society of SA (PSSA) national conference, Durrheim said it was time SA pharmacists applied their full knowledge base to the problem of the home health care patient and the care-giver. B1 Day 16/5/90

Although they had been successful in the use of their professional skills in this field, an expansion of services provided was now essential.

With his complex knowledge of drugs, patients, drug-response, therapeutic drug monitoring and the provision of medical equipment and services, the pharmacist could contribute strongly in pain management.

Drugs were probably the most cost-effective elements in chronic disease management. The pharmacist's role in chronic disease management could include the monitoring of side effects. Lack of supervision was one of the three major reasons for adverse drug reactions in the elderly.

The profession could help improve patients' self-care, facilitating adherence to long-term drug regimens, he said. Drugs could be targeted for removal from the regimen with the pharmacist consulting with the primary provider. 96

Pharmacists could also establish new patient records, listing side effects of all drugs used by a patient that might cause gastric erosion or mental-status changes. Adverse effects could then be anticipated and forestalled.

Durrheim said home health care was a more psychologically desirable form of health care because patients felt better and got better sooner when treated at home. This applied particularly to conditions of minor illness and during periods of recuperation.

Pharmacists: primary health care role urged

PHARMACISTS had to become increasingly involved in private sector primary health care, Prof Oppel Greeff said yesterday at the Pharmaceutical Society of SA (PSSA) conference in Bloemfontein.

Greeff is head of Clinical Pharmacy at the University of Pretoria's College of Pharmacy.

Primary health care was comprehensive care for the whole population, conducted outside the hospital although integrated with hospital services. It was delivered by methods appropriate to the particular community, at a cost they and the country could afford and with the community's involvement.

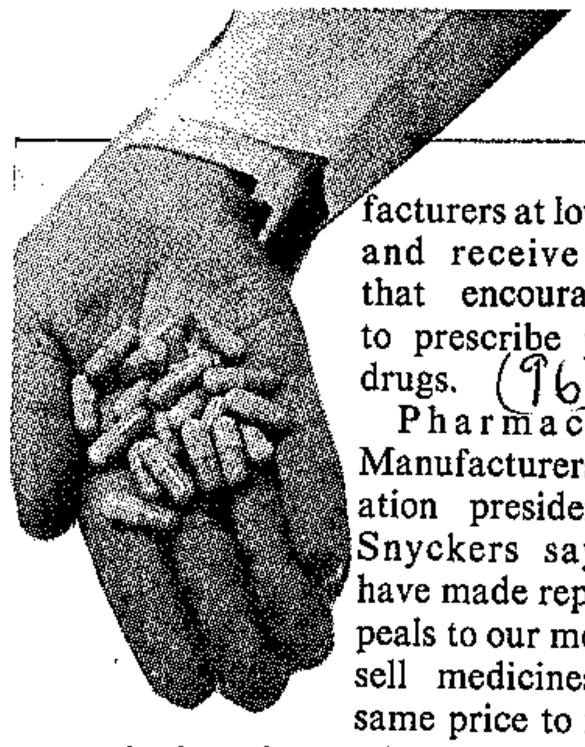
"Primary health care included education about prevailing health problems and methods of preventing and controlling them; promotion of food supply and proper nutrition; adequate supply of safe water and basic sanitation; maternal and child health, including family planning; immunisation against infectious diseases; appropriate treatment of common diseases and injuries and the provision of essential drugs.

For the pharmacist to play his part, "counting and pouring" would have to be delegated to a pharmacy technician. Pharmacists' functions would have to be expanded into drug administration, immunisation, education, treatment of minor ailments and home visits.

A clearly recognised relationship had to be established between the pharmacist and other health care professions, Greeff said.

Turning to the battle of pharmacists against dispensing doctors, Greeff said this could only be won on ethical grounds, not on professional, financial, legal or political battlefields.

"If it were the inalienable right of the doctor to dispense medicines, then it was the inalienable right of the pharmacist to diagnose certain diseases. A deal should be struck whereby doctors did not profit on medicines and pharmacists did not profit on diagnoses.



facturers at lower prices and receive bonuses that encourage them to prescribe particular drugs. (96)

Pharmaceutical Manufacturers' Association president Hugo Snyckers says: "We have made repeated appeals to our members to sell medicines at the same price to final sellers, whether pharmacies or doctors. But we aren't in a position to force our members to curtail what they consider legitimate marketing practices, such as bonuses. However, more can be done to curb abuses by doctors who break Medical Council regulations by leaving dispensing to members of their staffs or stocking outdated medicine."

The Medical Association's Bernard Mandell won't comment in detail on the Pharmaceutical Society's allegations, except to say that a solution should not be based on the protection of a particular profession but on putting the interests of patients first.

In other words, doctors provide more choice for patients and should be allowed to continue to trade in medicines.

The doctors' share of the R1,5bn prescriptions market has increased from 5% to 20%. This growth has taken place in the past five years to coincide with a decline in real terms in the tariff received for consultations.

In return, pharmacists feel entitled to make diagnoses of simple ailments. Kock says mobile clinics should be set up and staffed by a pharmacist and a nurse dispensing medical care and drugs in remote areas. This would relieve the need for dispensing by doctors in these places.

Conspicuously absent from the conference was maverick discounter Kosie van Zyl, head of the Mediscor network of pharmacies. He takes the view that dispensing doctors should be defeated in the marketplace and not in the court room. FIM 18/5/90

Nevertheless, other exponents of marketing the profession were heard at the conference. Val Beaumont, an industrial pharmacy consultant, says pharmacists must begin to offer preventive services, such as cholesterol and diabetes screening. Oppel Greeff, professor of clinical pharmacy at Pretoria University, says pharmacists should delegate pill counting to technicians and concentrate on educating the community and offering immunisation and curative healthcare for minor ailments.

Unfortunately, professional jealousy has prevented co-operation between pharmacists and doctors. Doctors see themselves as the senior profession, partly because previous ministers of health have been physicians. Pharmacists have compromised their professional standing by becoming primarily shopkeepers, selling sunglasses and teddy bears. Beaumont says only a minute portion of a pharmacists five-year training is used in their day-to-day business.

PHARMACISTS FIM 18/5/90

High or low road?

The pharmacists who arrived in Bloemfontein for their annual conference were faced with two choices. (96)

One was to look at ways to expand the activities of the profession into new areas. The other, which is basically the official line, was to continue along the traditional path of pressing for further regulation.

At a conference of retail pharmacists in March, pharmacists were spurred towards this second choice by remarks made by Harmful Business Practices Committee chairman Louise Tager.

She condemned not only dispensing doctors but pharmacies that offered discounts on medicines, as well as dispensaries run by Medical Aid Schemes for their members' benefit.

She reopened a debate closed three years ago by the Competition Board when it ruled that doctors should be allowed to dispense and, in return, pharmacists would be allowed to advertise. Pharmacists, however, have not implemented the second part of the recommendation but continue to press for a ban on dispensing doctors.

"The future of the pharmacy profession is not negotiable," says the Pharmaceutical Society national president Willie Kock. "If no feasible solution can be reached with the Medical Association, legal impediments against doctors dispensing for commercial gain would have to be introduced."

Pharmacists are certainly hurting in their pocket. The explosion of dispensing doctors has taken R300m worth of trade from retail pharmacists in the past two years. Doctors have access to medicines from drug manufacturers at lower prices and receive bonuses that encourage them to prescribe particular drugs. FIM 18/5/90 (96)

Kock says the society is now considering group practice, preferably on an equal footing with doctors. The favoured model would have the 80% of illnesses considered minor screened by a nurse and pharmacist, leaving the doctor to concentrate on the really sick. But the ethical rules of both pharmacists and doctors now forbid such a partnership. The bitterness caused by the dispensing doctor dispute makes the possibility of changing these rules remote. A full service, multidisciplinary medical business still seems a long way off.

Stephen Cranston

DEPARTEMENT VAN NASIONALE GESONDHEID EN BEVOLKINGS-ONTWIKKELING

No. 1698 **27 Julie 1990**

WET OP DIE BEHEER VAN MEDISYNE EN VERWANTE STOWWE (WET No. 101 VAN 1965)

INTREKKING VAN DIE REGISTRASIE VAN MEDISYNE

Hierby word ingevolge artikel 17 van die Wet op die Beheer van Medisyne en Verwante Stowwe, 1965 (Wet No. 101 van 1965), bekendgemaak dat die Registrateur van Medisyne, met die goedkeuring van die Medisyne-beheerraad ingestel by artikel 2 van genoemde Wet, die registrasie van die volgende medisyne ingetrek het:

DEPARTMENT OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

No. 1698 **27 July 1990**

MEDICINES AND RELATED SUBSTANCES CONTROL ACT (ACT No. 101 OF 1965)

CANCELLATION OF THE REGISTRATION OF MEDICINES

It is hereby notified, in terms of section 17 of the Medicines and Related Substances Control Act, 1965 (Act No. 101 of 1965), that the Registrar of Medicines, with the approval of the Medicines Control Council established by section 2 of the said Act, has cancelled the registration of the following medicines:

Nommer Number	Naam van produk Name of product	Applikant Applicant	Datum Date
P/21.1/301	Insulin Velosulin 40 iu	Novo-Nordisk (Pty) Ltd	89-10-06
P/21.1/302	Insulin Velosulin 80 iu	Novo-Nordisk (Pty) Ltd	89-10-06
P/21.1/304	Insulin Insulatard 40 iu	Novo-Nordisk (Pty) Ltd	89-10-06
P/21.1/305	Insulin Insulatard 80 iu	Novo-Nordisk (Pty) Ltd	89-10-06
P/21.1/298	Insulin Mixtard 40 iu	Novo-Nordisk (Pty) Ltd	89-10-06
P/21.1/299	Insulin Mixtard 80 iu	Novo-Nordisk (Pty) Ltd	89-10-06
B/11.2/206	Dicolic Cramp Drops	Adcock Ingram Laboratories Limited	89-12-29
B/13.4.1/207	Topilar Ointment	Adcock Ingram Laboratories Limited	89-12-29
B/13.4.1/209	Topilar Cream	Adcock Ingram Laboratories Limited	89-12-29
B/2.9/221	Level Capsules	Adcock Ingram Laboratories Limited	89-12-29
C/8.3/6	Hydrex Injection	Adcock Ingram Laboratories Limited	89-12-29
C/20.1.1/132	Urfamycin Syrup	Adcock Ingram Laboratories Limited	89-12-29
C/20.1.1/133	Urfamycin Injection	Adcock Ingram Laboratories Limited	89-12-29
C/20.1.1/134	Urfamycin Capsules	Adcock Ingram Laboratories Limited	89-12-29
E/5.4.1/59	Emeldopa Tablets	Adcock Ingram Laboratories Limited	89-12-29
F/11.4.2/247	Adcobiscarb Mixture	Adcock Ingram Laboratories Limited	89-12-29
H/13.6/84	Methyl Salicate Ointment	Adcock Ingram Laboratories Limited	89-12-29
H/13.6/85	Methyl Salicate Linament	Adcock Ingram Laboratories Limited	89-12-29
H/7.5/88	Cholemel Capsules	Adcock Ingram Laboratories Limited	89-12-29
H/4/2735	Absolute Alcohol Injection	Adcock Ingram Laboratories Limited	89-12-29
J/18.7/117	Norquest Tablets	Adcock Ingram Laboratories Limited	89-12-29
J/3.1/225	Suppil	Adcock Ingram Laboratories Limited	89-12-29
K/18.1/338	Cyclozide Tablets	Adcock Ingram Laboratories Limited	89-12-29
J/18.1/235	Cyclozide Tablets	Adcock Ingram Laboratories Limited	89-12-29
LX/22.1.4/272	Calciferol Injection	Adcock Ingram Laboratories Limited	89-12-29
Q/2.9/209	Aspegic Powders	Adcock Ingram Laboratories Limited	89-12-29
Q/2.9/210	Aspegic Powders	Adcock Ingram Laboratories Limited	89-12-29
Q/2.9/211	Aspegic Powders	Adcock Ingram Laboratories Limited	89-12-29
A/2.8/804	L.R. 122	Roussell Laboratories (Pty) Ltd	90-01-12
J/33/255	Lumelix-N	Voortrekker Apteek	90-02-19
M/11.4.1/277	Laxa Fiz Sparkling Antacid Salts	Pharmador Limited	90-03-26

No. 1700 **27 Julie 1990**

AANSTELLING VAN VOORSITTER, ONDER-VOORSITTER EN LEDE VAN DIE SENTRALE RAAD VIR MEDIESE SKEMAS

Die Minister van Nasionale Gesondheid en Bevolkingsontwikkeling het kragtens die bevoegdheid haar verleen by artikels 5 (1) en 7 (1) van die Wet op Mediese Skemas, 1967 (Wet No. 72 van 1967), die volgende persone met ingang van 1 Julie 1990 vir 'n tydperk van drie jaar aangestel as Voorsitter, Ondervoorsitter en lede van die Sentrale Raad vir Mediese Skemas:

Voorsitter:

Mnr. Stephanus Johannes Naude Marais.

Ondervoorsitter:

Mnr. Herbert Alfred Peters.

Lede:

Dr. Colin McKenzie Cameron.
Mnr. Brian Cook.
Mnr. Johannes Albert de Klerk.

No. 1700 **27 July 1990**

APPOINTMENT OF CHAIRMAN, VICE-CHAIRMAN AND MEMBERS OF THE CENTRAL COUNCIL FOR MEDICAL SCHEMES

The Minister of National Health and Population Development has, under and by virtue of the powers vested in her by sections 5 (1) and 7 (1) of the Medical Schemes Act, 1967 (Act No. 72 of 1967), appointed the following persons to be Chairman, Vice-Chairman and members of the Central Council for Medical Schemes for a period of three years with effect from 1 July 1990:

Chairman:

Mr Stephanus Johannes Naude Marais.

Vice-Chairman:

Mr Herbert Alfred Peters.

Members:

Dr Colin McKenzie Cameron.
Mr Brian Cook.
Mr Johannes Albert de Klerk.

Star 7/8/90

Doctors, chemists must co-operate – Venter

The vested rights of the Medical Association of SA (Masa) and the Pharmaceutical Association of SA (PPSA) had to be recognised in seeking a solution towards resolving their differences on the dispensation of medicines.

This was said in a statement yesterday by the Minister of National Health and Population Development, Rina Venter, after discussion with the two organisations last week.

Dr Venter stressed that in seeking a solution, the vested rights of the two professions should be recognised.

Both had a "great responsibility" in determining how they should co-operate without affecting those rights.

She said that at all times the interests of the patient would be paramount. — Sapa.

PDC Holdings to be listed on JSE today

Bloay 26/9/90

MARCIA KLEIN

PDC Holdings, a wholesale distributor of about 16 000 pharmaceutical and allied products, will be listed on the pharmaceutical and medical sector of the JSE today.

The listing of 20,9-million ordinary shares of 1c each follows group restructuring and an agreement between Gresham and PDC's pharmacist shareholders.

In a pre-listing statement, PDC said the agreement would make PDC shares more tradeable and the company will have increased flexibility.

Frankel Kruger Vinderine analyst Teigue Payne said the expected initial trading price would be 60c and no new shares would be issued.

He said PDC, whose earnings declined 9% in the year to March 1990, expected earnings to decline a further 66% in 1991.

96 Year-end

This should result in PDC trading initially at well below net asset value and on high earnings and dividend yields, said Payne.

PDC reported a net asset value of 274c a share at the March 1990 year-end.

However Payne says PDC has been re-organised and is now part of the Premier group (via Gresham). He said the company would be listed with little debt and the long term outlook was good.

PDC is 80,5% held by pharmaceutical-listed Gresham and operates from 10 warehouses in the Transvaal. The balance of 19,5% of PDC is held by about 300 retail pharmacists. PDC also holds 50% of the Plus retail pharmacy franchise.

The board of directors is confident of an improvement in performance and profitability with a new management team and the introduction of improved computer technology.

Medicine dispensing differences still unresolved

PHARMACISTS and doctors have not finally resolved their differences about the dispensing of medicine, the Department of National Health and Population Development said in a statement this week.

Representatives of the Pharmaceutical Society of SA (PSSA) and the Medical Association of SA (MASA) met National Health and Population Development Minister Rina Venter on August 2 to discuss final proposals

MARIETTE DU PLESSIS

put forward by the interested parties.

At the meeting, it was decided that after the department had had time to study the proposals and their practical implications, they would be discussed with the two organisations and their respective professional councils. Only then could discussions with the Minister be resumed.

Venter said both organisations had a great responsibility in determining how they should co-operate without affecting the vested rights of the two professions, but at the same time establishing a fair dispensation for each.

She emphasised that in seeking a solution the interest of the patient should be paramount.

The department would also re-evaluate the situation in an attempt to help the PSSA and the MASA in their quest for a solution, she said.

PSSA Contracts applies to board for exemption

PSSA Contracts, a division of the Pharmaceutical Society of SA (PSSA) which trades as Medikredit, has applied to the Competition Board for permanent exemption from the prohibition on price and supply collusion.

The Government Gazette dated August 3 says PSSA Contracts enjoys a temporary exemption which expires on December 31.

The prohibition affects contracts negotiated between Medikredit and medical aid schemes in terms of which members can obtain prescribed medicine from certain participating pharmacists.

Discounts

PSSA executive director Boet van der Merwe says the Medikredit contract system was developed to give medical aid members freedom of choice in purchasing prescribed medicines from any contracted-in pharmacy in SA.

Medikredit tariffs are based on tariffs laid down by the SA Pharmacy Council, says Van der Merwe. The service is primarily in the patient's interest and guarantees medical aid

MARIETTE DU PLESSIS

schemes pre-determined discounts for prescribed medicines.

The Pharmaceutical Manufacturer's Association (PMA) declined to comment until the matter had been considered at PMA's executive council meeting this month.

Medscheme financial director Paul Bosch says the company is in favour of permanent exemption being granted to PSSA Contracts because unnecessary administration costs involved in the processing of medical claims will be cut out by Medicredit contracts.

Medical aid members have benefited from existing contracts between Medicredit and Medscheme and will continue to benefit from less administration and through advanced credit at pharmacies.

The temporary exemption has been renewed twice since it was first promulgated in May 1986. Provision is made for the Minister of Administration and Economic Co-ordination to exempt appropriate cases from the prohibition on a recommendation from the Competition Board.

Namibian third party to be backdated

THE promulgation of a Namibian version of SA's Mulilateral Motor Vehicle Accidents Fund Act — to be passed by Parliament this week — will settle the concerns of SA motorists travelling to the country without third party insurance.

Namibian Director of State Revenue Hannes Lubbe said yesterday the Act would be made retrospective to March 21 and would cover all who bought petrol or diesel in Namibia.

The fund will be financed through

LINDA ENSOR

levies on petrol and diesel. All Namibian contributions made to the National Energy Council (NEC) since independence pending the creation of its own fund will be transferred back to Namibia.

As the Namibian Act is retrospective, travellers involved in accidents since independence will have had third party cover, a fund spokesman said.

Govt urged to act on medicine costs

B/Day 30/8/90

MARIETTE DU PLESSIS

GOVERNMENT should intervene to help reduce the cost of medicine and improve health care in SA by addressing problems in the pharmaceutical industry, Gresham Industries chairman Gordon Utian said yesterday.

Rising costs could severely hamper pharmaceutical wholesale and retail businesses if



● UTIAN

government did not alleviate the present situation.

At Gresham's AGM yesterday Utian stressed the need to address inequities in the pharmaceutical industry, where vested interests had created a situation in which wholesalers were caught up between manufacturers, retailers and doctors.

Manufacturers demanded exeptionally high prices for their products, and doctors, influenced by advertising and sampling campaigns, prescribed their products.

Consequently, consumers remained oblivious to the fact that in many cases there were equally effective medicines available at a fraction of the price.

Utian also questioned the credibility of the medical aid system, in terms of which pharmacists were being pushed by medical aid societies to assume the role of a discounter. 96

This and other urgent issues were brought to the attention of the Department of Health and Development three years ago, when the De Villiers Committee of Inquiry was appointed to look into pharmaceutical matters. Utian said no feedback has been received from the department since.

A department spokesman said yesterday the De Villiers committee should be able to report back during late September.

(3) Substitute the following for subclause (10):

"(10) The contributions referred to in subclause (2) (a) shall not be refundable to the employer or member once the stamp has been issued to the member.".

(4) Substitute the following for subclause (12):

"(12) A member who, whether by reason of the fact that he is temporarily unemployed or is temporarily employed in an area outside the area to which the Agreement applies, does not make contributions in terms of this clause may, if he desires to remain eligible for benefits, pay to the Council an amount equal to the contributions referred to in subclause (2) (a) per week. The Council shall issue the member concerned with a stamp in respect of each such payment and the said member shall affix the stamp in his contribution book.".

Signed, on behalf of the parties, this 5th day of June 1990.

D. L. ILLMER,
Chairman.

H. K. VAN WEST,
Vice-Chairman.

N. J. KRUGER,
Secretary.

(3) Vervang subklousule (10) deur die volgende:

"(10) Sodra die seël aan die lid uitgreik is, mag die bydraes in subklousule (2) (a) bedoel nie aan die werkgewer of lid terugbetaal word nie.".

(4) Vervang subklousule (12) deur die volgende:

"(12) 'n Lid wat nie bydraes ingevolge hierdie klousule betaal nie omdat hy tydelik werkloos is of tydelik werksaam is in 'n gebied buite dié waarop hierdie Ooreenkoms van toepassing is, kan, as hy verlang om vir voordele in aanmerking te kom, 'n bedrag gelykstaande met die bydraes in subklousule (2) (a) bedoel, weekliks aan die Raad betaal. Die Raad moet aan die betrokke lid 'n seël uitreik ten opsigte van elke sodanige betaling, en genoemde lid moet die seël in sy bydraeboek plak.".

Namens die partye op hede hierdie 5de dag van Junie 1990 onderteken.

D. L. ILLMER,
Voorsitter.

H. K. VAN WEST,
Ondervoorsitter.

N. J. KRUGER,
Sekretaris.

(96)

DEPARTMENT OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

No. R. 2342 **5 October 1990**

THE SOUTH AFRICAN PHARMACY COUNCIL

REGULATIONS RELATING TO THE REGISTRATION OF THE SPECIALITIES OF PHARMACISTS

The Minister of National Health and Population Development has, in terms of section 49 of the Pharmacy Act, 1974 (Act No. 53 of 1974), on the recommendation of the South African Pharmacy Council, made the regulations set out in the Schedule hereto.

SCHEDULE

1. In these regulations "the Act" shall mean the Pharmacy Act, 1974 (Act No. 53 of 1974), and any expression to which a meaning has been assigned in the Act shall bear such meaning and—

"register of specialists" shall mean the register referred to in regulation 3;

"specialist" shall mean a pharmacist whose speciality has been entered in the register of specialists;

"speciality" shall mean one of the fields of pharmacy set out in regulation 2.

2. The following specialities with the designation of the specialist indicated opposite each are hereby prescribed in terms of section 28 (1) (b) of the Act:

Speciality	*Designation*
Clinical Pharmacokinetics.....	Clinical Pharmacokineticist
Radio-pharmacy.....	Radio-pharmacist

3. The registrar shall keep a register of specialists correctly and in accordance with the provisions of the Act, in which register the following details shall be entered:

(a) The name and address of the specialists;

DEPARTEMENT VAN NASIONALE GESONDHEID EN BEVOLKINGS-ONTWIKKELING

No. R. 2342 **5 Oktober 1990**

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIE BETREFFENDE DIE REGISTRASIE VAN DIE SPESIALITEITE VAN APTEKERS

Die Minister van Nasionale Gesondheid en Bevolkingsontwikkeling het kragtens artikel 49 van die Wet op Aptekers, 1974 (Wet No. 53 van 1974), op aanbeveling van die Suid-Afrikaanse Aptekersraad, die regulasies in die Bylae hiervan uiteengesit, uitgevaardig.

BYLAE

1. In hierdie regulasies beteken "die Wet" die Wet op Aptekers, 1974 (Wet No. 53 van 1974), en het enige uitdrukking waaraan 'n betekenis in die Wet geheg is, daardie betekenis en beteken—

"register van spesialiste" die register bedoel in regulasie 3;

"spesialis" 'n apteker wie se spesialiteit ingeskryf is in die register van spesialiste;

"spesialiteit" een van die terreine van aptekerswese in regulasie 2 uiteengesit.

2. Die volgende spesialiteite met die benaming van die spesialis daarteenoor vermeld, word hierby kragtens artikel 28 (1) (b) van die Wet voorgeskryf:

Spesialiteit	*Benaming*
Kliniese Farmakokinetika.....	Kliniese Farmakokinetikus
Radiofarmasie	Radiofarmaseut

3. Die registrateur moet 'n register van spesialiste korrek en ooreenkomstig die bepalings van die Wet hou, in welke register die volgende besonderhede aangeteken moet word:

(a) Die naam en adres van die spesialis;

(b) the qualification referred to in regulation 4 (a) and the institution at and the date on which such qualification was obtained;

(c) the address at which the specialist practises;

(d) the speciality of the specialist;

(e) the date on which the specialist was registered.

4. A pharmacist who desires to have his speciality entered in the register of specialists, shall—

(a) submit evidence to the council that he has obtained a qualification in the form of a master's degree or an equivalent post-graduate certificate or diploma relating to the speciality concerned, the standard of training for which shall in the opinion of the council be adequate;

(b) submit evidence to the council that a period of at least four years has elapsed since he obtained a qualification giving him the right to registration as a pharmacist intern;

(c) submit evidence to the council that he has practised his profession as a pharmacist for a period of at least three years;

(d) submit evidence to the council that, in the speciality he wishes to register, he has obtained at least two years' experience to the satisfaction of the council at an institution acceptable to the council: Provided that—

(i) experience obtained in the Republic shall be recognised by the council only if the applicant was registered as a pharmacist with the council during the whole period of such experience;

(ii) experience obtained during the first two years after qualifying for registration as a pharmacist intern shall not be acceptable for the purposes of this paragraph;

(e) pay the prescribed fees to the council.

5. A specialist shall limit his practice to the speciality entered in the register of specialists: Provided that, with the prior consent of the council, he may also conduct a general pharmacy practice.

6. (1) The council may not enter more than one speciality against the name of a pharmacist in the register of specialists.

(2) A pharmacist may not practise more than one speciality simultaneously.

(b) die kwalifikasie bedoel in regulasie 4 (a) en die inrigting waaraan en die datum waarop sodanige kwalifikasie verwerf is;

(c) die adres waar die spesialis praktiseer;

(d) die spesialiteit van die spesialis;

(e) die datum waarop die spesialis geregistreer is.

4. 'n Apteker wat sy spesialiteit in die register van spesialiste wil laat inskryf, moet—

(a) bewys aan die raad voorlê dat hy 'n kwalifikasie in die vorm van 'n magistergraad of gelykwaardige nagraadse sertifikaat of diploma verwerf het wat in verband staan met die betrokke spesialiteit en waarvoor die standaard van opleiding na die mening van die raad voldoende is;

(b) bewys aan die raad voorlê dat 'n tydperk van minstens vier jaar verstryk het sedert hy 'n kwalifikasie verwerf het wat aan hom die reg op registrasie as apteker-intern verleen;

(c) bewys aan die raad voorlê dat hy vir 'n tydperk van minstens drie jaar sy beroep as apteker beoefen het;

(d) bewys aan die raad voorlê dat hy in die spesialiteit wat hy wil laat registreer, minstens twee jaar ondervindig tot bevrediging van die raad opgedoen het by 'n inrigting wat vir die raad aanneemlik is: Met dien verstande dat—

(i) ondervinding wat in die Republiek opgedoen is, deur die raad erken mag word slegs indien die aansoeker gedurende die hele tydperk van sodanige ondervinding by die raad as apteker geregistreer was;

(ii) ondervinding wat opgedoen is gedurende die eerste twee jaar na kwalifisering vir registrasie as apteker-intern nie aanneemlik vir die doeleindes van hierdie paragraaf is nie;

(e) die voorgeskrewe gelde aan die raad betaal.

5. 'n Spesialis moet sy praktyk beperk tot die spesialiteit wat in die register van spesialiste ingeskryf is: Met dien verstande dat hy met die vooraf verkreë toestemming van die raad ook 'n algemene aptekerspraktyk mag bedryf.

6. (1) Die raad mag nie meer as een spesialiteit teenoor 'n apteker se naam in die register van spesialiste inskryf nie.

(2) 'n Apteker mag nie tegelyk in meer as een spesialiteit praktiseer nie.

DEPARTMENT OF PUBLIC WORKS AND LAND AFFAIRS

No. R. 2330 **5 October 1990**

CORRECTION NOTICE

QUANTITY SURVEYORS' ACT, 1970 (ACT No. 36 OF 1970)

NOTICE UNDER SECTION 7 (3) (b). —AMENDMENT TO TARIFF OF PROFESSIONAL FEES

The following correction to Government Notice No. R. 2121, which appeared in *Gazette* No. 12726 of 7 September 1990, is hereby made known for general information:

In the Afrikaans text of the notice, on page 27, the amount "2 500 000" is substituted for the amount "2 000 000" where it appears in the fifth line of column 1 under the heading "Geldeskaal 4: Ingenieurswerke (Siviel)."

DEPARTEMENT VAN OPENBARE WERKE EN GRONDSAKE

No. R. 2330 **5 Oktober 1990**

VERBETERINGSKENNISGEWING

WET OP BOUREKENAARS, 1970 (WET No. 36 VAN 1970)

KENNISGEWING KRAGTENS ARTIKEL 7 (3) (b).—WYSIGING VAN PROFESSIONELE GELDETARIEF

Die volgende verbetering aan Goewermentskennisgewing, No. R. 2121, wat in *Staatskoerant* No. 12726 van 7 September 1990 verskyn het, word hierby vir algemene inligting bekendgemaak:

In die Afrikaanse teks van die kennisgewing op bladsy 27, word die bedrag "2 000 000", waar dit voorkom in die vyfde reël van kolom 1 onder die opskrif "Geldeskaal 4: Ingenieurswerke (Siviel)", vervang deur die bedrag "2 500 000".

Cheap drugs get thumbs down

By GLENDA NEVILL

THE Cape Provincial Administration has been acting illegally in dispensing medicine through pharmacists to the poor and needy in rural areas, a Supreme Court judge ruled this week.

Acting Justice A J van Deventer ordered the CPA to stop the practice immediately.

The judgment could have far-reaching effects in other provinces which operate similar schemes but, pharmacists claim, will enable a better, safer service.

The practice — now in limbo pending the outcome of an appeal against the judgment — was instituted by the CPA as a means of cutting its drugs bill.

It involved buying medicines in bulk on tender and repackaging them, in smaller doses, into cheaper containers.

But chemists and drugs companies believed the practice was risky because of the possibility of contamination.

Comply

But deputy director-general of health and hospital services Dr George Watermeyer dismissed their fears saying that, over the years, no one had been affected by toxins from prepackaged preparations.

He also justified the CPA's scheme by saying the province had acted in the belief that various acts of parliament, appropriate to the private sector, need not necessarily apply to the state.

But Acting Justice Van Deventer ruled that the state and provincial health authorities were not above the law and had to comply with the Medicines Control Act and could not repackage medicine.

The judgment came after a pharmaceutical company, Raats, Rontgen and Vermeulen, brought a semi-urgent application against the Administrator of the Cape.

Pharmacists 'should be paid for their advice'

B Ibam 4/12/90 96

LONG-overdue changes in government policy on the pharmaceutical industry had to be given urgent attention to ensure a more rational and less expensive health-care system in a new SA, industry leaders said yesterday.

Attention needed to be given to issues such as self-medication, de-scheduling of a larger range of prescription medicines, and the right to dispense prescription medicine, they said.

While healthcare costs in the private and public sectors were rising at a phenomenal rate, no concrete solutions to the situation had been forthcoming from the Department of Health.

Pharmaceutical Society of SA (PSSA) spokesman Neville Lyne said government policies should allow pharmacists to be adequately remunerated for their advisory services as well as their supply function.

He stressed the need for a pharmacy representative in national administrations to promote the profession's potential and to provide the best assurance that policy considerations, such as resource allocation, would be attuned to national requirements.

While the PSSA strongly opposed advertising in the industry since it created an ethical problem, Lyne firmly believed it would be in the best interest of the patient if the pharmacist was permitted greater discretionary powers.

These powers included access to drugs of higher schedules and the right to prescribe medicines.

Medical Association of SA (Masa) secretary general Hendrik Hanekom said expenditure on medication was one of the

MARIETTE DU PLESSIS

major items in the health care budget, and various avenues were being explored to contain spiralling costs, without sacrificing quality treatment.

Masa regarded self-medication with over-the-counter medicines as the first step in the management of illness.

It believed government, industry, patients and doctors should meet on these issues, he said.

Masa also supported descheduling medicine as a means of containing costs, but only if it was scientifically and therapeutically justifiable.

Masa was conducting research required to recommend a national drug policy for SA with organisations such as the Medicine Information Centre in Cape Town.

Report

Gresham Industries chairman Gordon Utian and Adcock Ingram CE Don Bodley stressed the need for government to create a framework for solutions to these inequitable conditions, which were steadily entrenching themselves in the industry.

During November last year, National Health and Population Development Minister Rina Venter said she awaited the Wim de Villiers Commission's report on the health care industry before any changes to the current system could be made.

However, the report, which was expected in February 1990, is still not available.

A spokesman for the Department of Health said comment on these issues could be expected next week.

SA Druggists 'will maintain earnings'

B 1 Day
4/12/90

MARIETTE DU PLESSIS

ALTHOUGH difficulties experienced during 1990 interrupted SA Druggists' (SAD's) consistent 24% compound growth in profits of the past seven years, earnings would be maintained in financial 1991, MD Tony Karis said in an interview.

While interim results did not meet expectations, Karis was confident that when SAD's two-year period of consolidation came to an end in March 1991, profit growth would be possible.

He regarded marketing, productivity, exports and asset management as the four main criteria of growth, and expected improved management of stock and debtors during the latter half of the year to ensure improved profitability.

Despite growth in earnings in the first six months, reduced trading margins and lower exports saw SAD's earnings falling by 1% in the year to end-March 1990.

96 Direction 1988

Operating margins during this period were also cut in view of problems both in its distribution division's LPA Johannesburg operation and on the manufacturing side, where large volumes of unprofitable state tender business hammered margins at the Lennon Pharmaceutical factory.

Although LPA came back on stream during August, additional turnover was needed to return to the previous year's profitability levels.

In addition, Lennon was "moving in the right direction and operations are up and running at expected growth levels", Karis said.

While state tender business amounted to about a quarter of Lennon's turnover, reduction in the tender sector would be made up in the private sector, together with other private sector growth, he said.

Problems at LPA were also seen as the main factor which resulted in the 7% drop in attributable income in the first six months of the current financial year.

Karis also saw exporting as a major growth area and expected to regain lost overseas customers to boost export revenue.

Clean bill of health for chemists' body

w\Mail 20/12/90 - 10/1/91

By PORTIA MAURICE

AFTER four years of investigation, the Competition Board has given the Pharmaceutical Society of South Africa and its contracting subsidiary, Medikredit, a clean bill of health.

Medikredit is an accounting service used by many pharmacists to process the prescriptions of medical aid clients, send them to medical scheme administrators and arrange payments. In this way, patients are given credit for their pharmaceutical requirements, and avoid having to pay cash up front.

Medical aids contract in to Medikredit and in return receive discounts on pharmaceutical goods.

Allegations had been made to the Competitions Board that the Medikredit accounting system constituted "horizontal price collusion" because it set "notional prices" for medicines to facilitate computerisation. Complainants said Medikredit was price fixing and dominating the market in this way.

On announcing the Board's decision this week Boet van der Merwe, executive director of the PSSA, explained that the Medikredit system "did not preclude pharmacists from granting patients whatever discounts on medicines their business could bear".

He said millions of rand had been invested in mainframe computer installations and programming, for the benefit of pharmacies and medical scheme members they served.

"It would have been catastrophic if the machinery for settling medical scheme claims were not allowed to continue by a negative Competition Board ruling," he said.

"Millions of medical scheme members would have found that they could no longer obtain medical scheme credit for prescribed medicines at pharmacies throughout the Republic," he said.

PHARMACOLOGY

Baragwanath Hospital scored another major first — one of many in its history — when the giant complex in Soweto acquired the services of clinical pharmacists — the first two in South Africa.

Setting the pace in world of medicine

Andries and Hermien Gous look like any ordinary South African couple. They are in their late 20s, married, living in a West Rand suburb and expecting their first child.

And they are the only clinical pharmacists in the country.

After qualifying as pharmacists at the University of Potchefstroom — where they met and married in their final year — they went on to study at the University of Tennessee, in Memphis, completing the requirements for clinical pharmacy, each gaining a doctorate in the process.

Both received special recognition for their work in the form of awards from the university when they graduated in June this year.

Dr Hermien Gous had initially been awarded a Fullbright Scholarship to pursue her studies while Dr Andries Gous received assistance from local pharmaceutical companies.

By becoming South Africa's first clinical pharmacists, the couple is set to become the pace-setter in the local pharmaceutical profession. Along with this, there could be new, improved co-operation between doctors and pharmacists.

Of most importance, however, are the advantages to patients who will benefit from the expertise of clinical pharamcists in the healing process.

It is envisaged that the two pharmacists will soon combine clinical work at Baragwanath Hospital with lecturing at their alma mater, assisting in the training of more clinical pharmacists. Star 21/12/90

Their work as clinical pharmacists differs from that of ordinary pharmacists in that they are actively involved and almost co-workers with doctors. As such, they accompany doctors on ward rounds to patients.

Dr Hermien Gous says they have an important role to fill. In making the rounds of patients with doctors, they can discuss medication, make suggestions, assess the results of medication — all of which can amount to a more cost-effective healing process.

Considering the crisis in health care in South Africa this is no small matter.

"It helps both the hospital and the patient as we also get feedback from the patient. Doing clinical work, we have come to the realisation we are being appreciated and that there are definite benefits in our work, although it would be difficult to prove it scientifically," Dr Andries Gous says.

It is important for him that the pharamceutical profession returns to its earlier closer involvement with the patient — not only in hospitals but also in pharmacies and elsewhere.

Dr Hermien Gous finds it satisfying to be closely involved with patients.

At present she focuses on younger patients while her husband is involved with the adults.

The doctors, too, it seems are very pleased with their new partners.

"More and more often they ask our advice on pertinent matters," Dr Hermien Gous says.

(96)

Baragwanath chief pharmacist Henry Booyzen is clearly thrilled with the new development in his profession and with having the Gous couple on his staff.

"Patient care has improved because of optimum use made of medicine, and this has a savings spin-off. There is also an improvement between the doctor/pharmacist relationship, as well as an improvement in the image of pharmacists.

"This shows we are not merely puppets issuing tablets," he said.

Ironically, the couple is employed as "pharmacists" — nowhere in South Africa is there a post aptly named for the qualification they obtained. One suspects this is all about to change.

CARINA LE GRANGE



Making sure it's right . . . Dr Hermien Gous and Dr Andries Gous are SA's only clinical pharmacists. Picture: Carina le Grange.

Call for changes to medical schemes

MARIETTE DU PLESSIS

PHARMACEUTICAL companies and doctors are clamouring for changes to SA's health-care legislation, especially with regard to medical aid schemes.

In Adcock Ingram's annual report, chairman Robbie Williams called for the deregulation of medical aid schemes to offer members a more broadly based series of options, ranging from all-inclusive cover to disaster cover, in line with other forms of insurance.

At Gresham Industries' AGM chairman Gordon Utian also questioned the credibility of the medical aid system, in terms of which pharmacists were being pushed by medical aid societies to assume the role of a discounter.

Dispensing Family Practitioners (DPF) chairman Robert Rapiti issued a statement saying: "Medical schemes are failing to deliver the goods and have abused the archaic state of present legislation governing health care in the private sector."

He also questioned the manner in which the 5% to 10% was used for administration since "medical aid contributions were public funds".

Department of Health director-general Coenie Slabber said requests were made to all interested parties to submit their suggestions regarding the present health-care situation and the matter was receiving attention.

He said it was out of step with the government's policy of deregulation to legislate for the control of either the remuneration or the income levels of health-care providers in the private sector.

Slabber emphasised that government's health-care policies were not only formulated to be in the interest of all its citizens, but administration costs of medical schemes were under constant scrutiny.

Costs were audited annually and reported to members and the Registrar of Medical Schemes, he said.

Festive season boosts 'hangover industry'

96

MARIETTE DU PLESSIS

THE "hangover industry" is not suffering from the ill-effects of the current recession, with sales of medication for overindulgence substantially higher during the festive season, pharmacists say.

Pharmacists expect sales of Prohep, Essentiale and Guronsan C tablets to increase by nearly 50% in December and over the New Year period compared with the rest of the year. B (Dom 27/12/90

Prohep, which is used to counteract the aftereffects of overindulgence, appears to be favoured by most customers, pharmacists say. This is because people do not always plan to "go overboard".

In cases where excessive intake is planned well in advance — and one may add with some deliberation — medication such as Guronsan C and Essentiale will be used to prevent hangovers.

"This is the festive season when parties are taking place every day and not only over weekends. People consume more alcohol than usual and this trend is definitely reflected by sales of so-called hangover tablets," a pharmacist says.

Most pharmacies were also offering special prices for these tablets, with a pack of 20 Prohep and Essentiale tablets retailing at R9,80 and R7,95 respectively — 20% less than normal — while 30 Guronsan C tablets are selling at R13,99.

SA Druggist (SAD), which manufactures Guronsan C, projects sales to rise by 35% in the October to December period, compared with the average 25% increase in sales during the rest of the year, SAD MD Tony Karis says.

He says there is an a direct correlation between a higher alcohol consumption and the rise in purchases of hangover tablets.

Advertisements such as the Prohep advertisement on television — which shows a person drinking beer and then using the medication — strengthens the assumption that alcohol and these tablets are related, Karis says.

Health-care group Noristan, which manufactures Prohep, expects sales to equal 1989 figures, which were 14% higher during this period, a spokesman says.

The pharmaceutical industry weathers recessionary elements

B Day 31/12/90.

MARIETTE DU PLESSIS

THE pharmaceutical industry has achieved an element of stability in spite of recessionary conditions and the intense competition which has prevailed in the fragmented sector.

But mixed 1989/1990 year-end results indicated things could change if the downswing were prolonged.

A number of challenging issues faced the health-care industry as a whole, and the downturn in the economy could affect consumer products and proprietary medicines, Adcock Ingram CE Don Bodley said.

He added that preventive medicine and primary health care in both the public and private sectors should receive more attention, together with the promotion of responsible self-medication and deregulation of medical aid schemes.

Because consumers also traded down on drugs during recessions and competition intensified as a result, the pharmaceutical industry, like any other industry, suffered from the effects of inflation and increased costs, he said. However, every attempt was made to contain medicine prices through increased productivity and efficiency.

Pharmaceutical Manufacturers' Association president Hugo Snyckers said the industry's competitive nature ensured the price of medicine was kept as low as possible, but in view of high manufacturing costs and the current economic climate, costs were unlikely to be reduced.

In the local pharmaceutical industry, individual companies held at most only 6% of the market and competition in this rapidly changing scenario was on the increase, he said.

While several major players in the JSE's pharmaceutical and medical sector were holding their own against a general background of recession-hit profit figures, others were stagnating or consolidating to some extent.

Difficulties

The sector's average earnings yield and dividend yield trailed industrial sector averages.

SA Druggists' (SAD) pedestrian results in the year to end-March, due mainly to difficulties in its pharmaceutical and distribution divisions, brought to an end its seven-year achievement of 28% growth in compound earnings, MD Tony Karis said.

In the six months to September, SAD also failed to improve on its 22% increase in operating income achieved in the corresponding period last year. However, Karis said SAD's two-year period of consolidation was nearing its end and taxed profits for financial 1991 should equal this year's R75m, while "some" earnings growth was possible.

The Premier Group's Twins Pharmaceuticals raised earnings by 14,4% in the year ended March, followed by a 23% rise in attributable income in the six months to September.

But in view of the economic recession, directors did not expect a significant increase in earnings for the 1991 financial year.

Industry leader and Barlow Rand subsidiary Adcock Ingram posted a 29% increase in attributable income in the year to end-September, to achieve a 32,5% compound growth in earnings over the past five years.

Despite the downturn, Adcock forecast a reasonable level of organic growth in 1991, with the self-medication market offering the greatest potential for growth, Bodley said.

Health services group President Medical Investments (Presmed) posted a 89% rise in attributable income in the year ended February, followed by a 96% jump in the six months to end-August 1990 over the comparable period.

HEALTH & DISEASES _ PHARMACISTS

1991 - 1992

Pills sell at 800% more than makers' cost

DI CAELERS
Weekend Argus Reporter

THE sick are paying through the neck for medicines — up to 800 percent more than cost price.

The stock master list of a pharmaceutical distributing company handed to Weekend Argus has revealed huge mark-ups which result in the selling price of medicines bearing little resemblance to the cost price from manufacturers.

This comes as health-care costs, escalating at an annual 25 percent in recent years, threaten to put adequate medical care out of the reach of all but the rich.

The distributing company in question, Quickmed Pharmaceuticals, sells only to dispensing doctors, who then add a further 50 percent before the end price to the public is finally set.

The price list shows the company pays just R33 for 250 Abburic tablets — used in the treatment of gout — and resells to the dispensing doctor for R316. This is a more than a 800 percent mark-up.

Other examples include the following:

● Effee capsules (slow-release iron): The company buys them at R211,20 for 1 000 and resells them for R960. Mark-up: more than 300 percent.

● Fluend capsules: The cost price is R49,50 for 1 000; selling price R259. Mark-up: more than 400 percent.

● Improvit iron tablets cost the company less than half a cent each. They are sold to the dispensing doctor at 19c each.

● The Abbutamol starter pack — aerosol pumps for asthmatics — costs just R13 and is resold at R34,65; Mark-up: 166 percent.

● Citro-soda: The cost price for 100g is R5,29 and the selling price to dispensing doctors R13,46. Mark-up: 154 percent.

● Paracetamol syrup costs the company 52c for 50ml and is resold at R1,95, nearly four times the original price.

Mr Steve Sturlese, managing director of Quickmed Pharmaceuticals, disputed claims from a source within his company who said the stock master list handed to Weekend Argus was the same one used by its medical representatives.

Mr Sturlese claimed there were "several" price lists and the selling prices on the master list were those "laid down in the government blue book which sets the maximum selling prices for all distributors of pharmaceutical products".

Using the Effee capsules as an example, he said these were imported from Italy in bulk and the cost price on the master stock list did not include the additional 25 percent surcharge, packaging and labelling costs for which he was responsible.

He claimed his mark-ups ranged between 65 and 80 percent.

"Another problem we deal with constantly is that of expired medicines. We write off thousands of rands in this way and we have to recoup it by writing it into the costing on the next batch that lands. So the costing goes higher, and the selling price goes higher.

"This is a very expensive game. I have to take into account how much it costs to keep 70 medical representatives on the road as well as rail costs and doctors' bad debts," Mr Sturlese said.

Mass mark-up of the sick

Aged sold

Gifts to doctors: Who pays for TVs, trips?

(96)

KCG 15/2/92

DI CAELERS
Weekend Argus Reporter

PRICEY "kickbacks" like free trips and television sets are being offered to doctors as an incentive to clinch pharmaceutical deals — but who pays for these?

Pharmaceutical company managing director Mr Steve Sturlese has denied suggestions the cost is "worked into" drug prices.

He said the "rewards" were paid for by his company and described the practice as a "marketing ploy".

"I'd rather somebody bought my products than those of someone else. There is a lot of competition and all we are doing is providing the incentive for doctors to buy from us," he said.

According to the master stock list, the "rewards" offered to doctors in return for business included trips to Brazil, holidays in the Greek Isles, stays at a five-star Somerset West hotel, several types of watches, talking calculators, colour TVs, cordless telephones, fridges, cameras, microwave ovens, M-Net decoders, music centres, compact disc players and leather lounge suites.

The chairman of the Western Cape Dispensing Family Practitioners' Association, Dr Robert Rapiti, said the only way to control prices between manufacturers and outlets to the public was through a consumer watchdog body.

"We need better control. Dispensing doctors have no idea of the cost of medicines from the manufacturers. These kinds of mark-ups are absolute news to me."

He confirmed that dispensing doctors added a 50 percent mark-up to products: "People confuse it as profit, but, in fact, it covers us for things like shelf-life, because medicines often expire on our shelves, and for the 20 to 30 percent bad debt which most doctors average."

PHARMACEUTICALS

DRAGGING THEIR FEET

Time is running out for the Pharmaceutical Society to avoid prosecution for breach of competition law. The society was ordered by the Competition Board to submit new Medikredit contracts to medical schemes by January 1 or risk having the matter turned over to the police (*Business* January 18).

Medikredit, a subsidiary of the society, supplies pharmacies with medicines and the pharmacies are then able to claim the cost from medical aids rather than in cash from the patients. The new Medikredit contracts are supposed to allow pharmacies greater flexibility in pricing the medicines.

David Boyce, who administers Medikredit in the Transvaal, says an addendum to the contracts that explains the new pricing formula is being sent to 3 000 contract holders from pharmacies and medical schemes. The contracts themselves are also being changed.

But major medical scheme administrators have not yet received the new contracts and some have informed the Competition Board of this in writing. The Representative Association of Medical Schemes says it won't comment until after its pharmaceutical subcommittee meets next week.

Competition Board chairman Pierre Brooks says that judging by the correspondence he has received, he is not satisfied that the society has made a concerted effort to circulate the new contracts. The old contracts violate the prohibition of horizontal price collusion and collusion on conditions of supply.

The board is adopting a new get-tough

continue

approach. Last week Brooks said the lack of adequate enforcement measures has lessened the deterrent value of competition law. There have been no convictions for collusion since most types were outlawed in 1986.

There is no doubt that the attorney general would be reluctant to get involved in a drawn-out court case against a professional body and file criminal charges against its officers. Brooks proposes that the law should be decriminalised and administrative fines introduced. This, he says, would give the board much-needed teeth.

The Pharmaceutical Society stresses that it is not seeking a confrontation with the Competition Board. But it could be the first target of the board's new determination to enforce its rulings. ■

Training of pharmacists Hansard 8/3/91

26. Dr W J SNYMAN asked the Minister of Education and Culture:† 96

(1) Whether, pursuant to the instruction by the Minister of National Education in July 1986 that the Universities and Technikons Advisory Council (the UTAC) investigate the training of pharmacists in South Africa, the report and recommendations of the UTAC have been submitted to the

South African Pharmacy Council for comment; if not, why not; if so, what was their comment in regard to the continued existence of the Pharmaceutical College of Pretoria;

(2) whether it has been decided to phase out pharmaceutical training for undergraduates at the Pharmaceutical College of Pretoria; if so,

(3) whether this college is (a) the only place in South Africa where the training of pharmacy students can take place in conjunction with that of medical, dental and nursing students and (b) one of the training centres in our country with the largest number of students; if not, what are the relevant facts;

(4) whether, when the above decision was taken, the arguments set out in paragraph (3) of this question were taken into account; if not, why not; if so, why were these arguments not decisive;

(5) whether he will make a statement on the matter? B356E

The MINISTER OF EDUCATION AND CULTURE:

(1) Yes, the comments of the SA Pharmacy Council were submitted to the Minister of National Education from whom they may be obtained;

(2) yes;

(3) (a) no,

(b) no, of the universities under the jurisdiction of this Department, the University of Pretoria had the second smallest number of undergraduate pharmacy students at the time of the investigation;

(4) yes, the decision to phase out undergraduate pharmacy training at the University of Pretoria is an outcome of a thorough consideration of all the facets as well as the comments of all concerned;

(5) no.

Standard of stock handling criticised

Star 20/3/91



By Paula Fray
Consumer Reporter

Consumers ultimately pay the cost of "disgraceful" handling of stock in stores, Grocery Manufacturers Association executive director Jeremy Hele told a distribution and logistics conference in Johannesburg yesterday.

An estimated R150 million a year was wasted by the industry if a conservative return figure of 1 percent was taken, Mr Hele said.

This could pay for 1 000 new hospital beds a year or schools for about 30 000 children, he added.

Addressing the South African Production and Inventory Control Society, Mr Hele said the disgraceful standard of stock handling and the almost criminal lack of any concern for the condition of products in store was based entirely on the fact that the manufacturer could be forced to pay for stock returned after it has been delivered and accepted.

Wasting

"This is naturally costed into the price charged to the retailer and ultimately paid for by the consumer," Mr Hele said.

"If we take a conservative return figure of 1 percent (many manufacturers average as much as three times that figure), this represents a figure of R150 million a year that the industry is wasting.

"Stock, once delivered and accepted in good condition, belongs to the purchaser. If this is accepted, then wastage figures in consolidated distribution are reduced to the almost non-existent figure which chains like Tesco in the United Kingdom report," Mr Hele said.

Demands were made on manufacturers to pay a "swell allowance", which was an amount of anything up to 2 percent of turnover. For this the retailer agreed not to claim for the stock damaged in his store.

"It is no more than a payment for a quantified level of inefficiency," he said.

Pharmacists can charge for advice

Star 20/3/91

96

Own Correspondent

DURBAN — Pharmacists are to be allowed to charge a professional fee to customers asking for medical advice, Pharmaceutical Council vice-president Don Sutherland has announced.

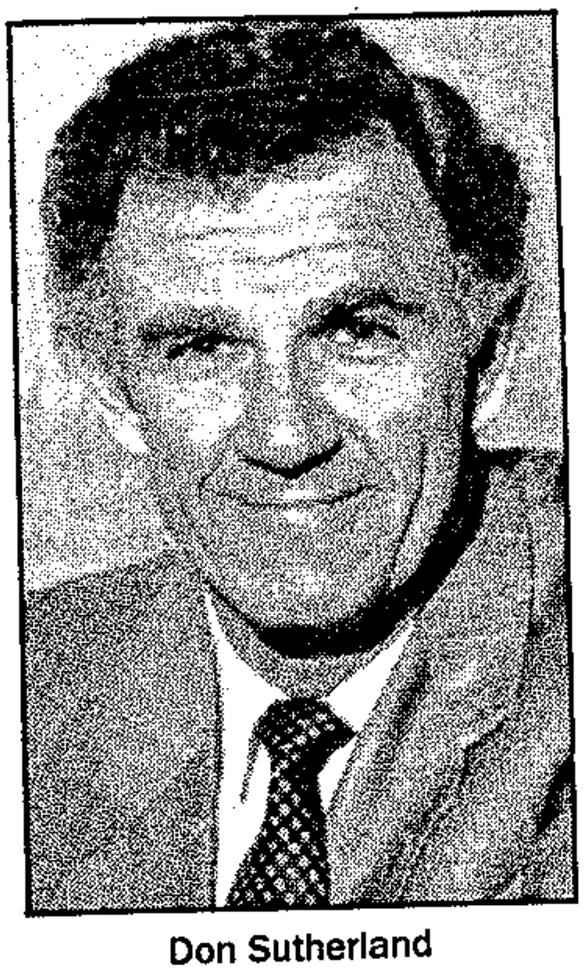
Speaking at the annual meeting of the Association of Retail Pharmacists, Mr Sutherland said the flexible fee would be added to the cost of any medicine which might be necessary.

Entitled

"Pharmacists, being professionals in medicine, will now be able to distinguish themselves from traders in medicine," he said.

The matter has been finalised by the Pharmacy Council. Final documentation will be sent to pharmacists in the near future, but the council believes that a pharmacist "is entitled to a just and reasonable remuneration for any professional services rendered".

The practical implications are that the council will no longer, by way of regulation, restrict the pharmacist to a professional fee of R1,30 up to R2,25 (at present built into the cost of prescriptions).



Don Sutherland

Mr Sutherland said pharmacists could charge for "logistical functions, processing of prescriptions and dispensing as well as for advisory and informative functions".

He added that the move "does not mean that getting medicine from the pharmacist will necessarily cost more than before, because what he now charges for a professional fee may be countered by not taking a profit on medicine if he so wishes".

Mr Sutherland also announced that pharmacists, "in a bid for survival", would take their plight to Minister of Health and Population Development Dr Rina Venter this week for arbitration and possible amendments to their legal and professional rights.

He said there were now 5 713 registered dispensing doctors in the country and 5 820 pharmacists.

"This is just not acceptable. The growth in the number of dispensing doctors has risen about 10 percent every year for the last five years while the increase in numbers of pharmacists was only about 4 percent over the same period."

Sweeping

A meeting was held on January 25 between the Pharmaceutical Council, the Minister of Health and the Joint Parliamentary Committee on Health.

At this week's meeting between the Pharmaceutical Council, the Minister and the Joint Parliamentary Committee on Health, sweeping changes could be approved by the Minister.

These may include the granting of legal rights to pharmacists to prescribe more scheduled drugs.

R36-m payout for troops on both sides of Namibian war finalised

WINDHOEK — Finality has been reached on the payout of R36 million by South Africa to former combatants, from both sides, in the Namibian bush war, Dieter Petzsch, spokesman for the South African mission in Windhoek, said yesterday.

Star 20/3/91

Divided

He said an amount of R12 million had been paid into Namibia's Standard Bank — because it had the largest distribution of branches — to be divided evenly among 9 000 former members of the SWA Territory Force and Koevoet paramilitary police unit.

Payment would begin on April 2 to a verified list of beneficiaries.

South Africa's representative in Namibia, Riaan Eksteen, on Monday handed Namibian Foreign Affairs Minister Theo-Ben Gurirab a cheque for R12 million to be paid out to former members of Plan, Swapo's military wing. Plan and the South African-led SWATF and Koevoet units engaged in a 23-year bush war before Namibia's independence last March.

A third amount of R12 million was being kept in a contingency fund for which the details were still being worked out, Mr Petzsch said.

The payout affects only former fighters who were demobilised before independence.

He said South Africa had planned, before independence, to make a payout to SWATF and Koevoet servicemen.

"At independence President Sam Nujoma asked President de Klerk quite specifically if Plan members could also be accommodated," Mr Petzsch said.

Pledged

The R36 million includes the R25 million pledged by South Africa to assist Namibia at an international donors conference held in New York in June as well as the amount earmarked for former Koevoet and SWATF members. — Sapa.

Professional fees for pharmacists

Own Correspondent

PHARMACISTS will now be able to earn their income from professional services rendered and not only from the sale of medicines.

Addressing delegates at the SA Association of Retail Pharmacists' general meeting this week, SA Pharmacy Council president Don Sutherland said it was important they distinguished between the fees for professional services rendered and the selling price of medicines.

"The practical implications are that the council will no longer, by way of regulation, restrict the pharmacist to the professional fee of R1,30 or R2,25," Sutherland said.

He said the mark-up on medicine might go down while the professional component could increase.

He said the pharmacist was entitled to charge fees for logistical functions; processing of prescriptions and dispensing of medicines; and advisory and informative functions.

Sutherland said although the council did not prescribe professional fees, he outlined guidelines to be taken into account.

These included the pharmacist's specialised knowledge of his own practice, the operational costs or expenses incurred in providing the professional service, the experience and expertise of the pharmacist, the time spent in rendering the service, whether the dispensing took place in normal working hours and whether the medicine dispensed was readily available.



EFFECTIVE ADVERTISING

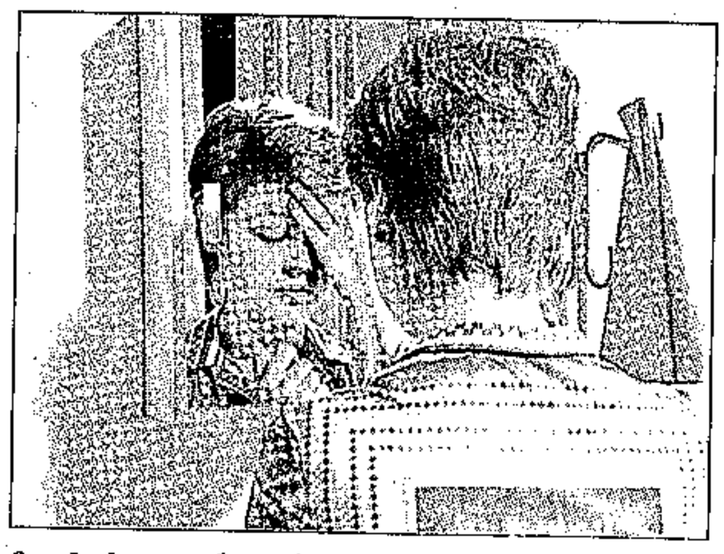
FM 22/3/91

ASK THE PHARMACIST (96)

Without intending to impugn pharmacists, their emergence as the most ethical and honest profession in a survey conducted among white women was a surprise.

A surprise except to Elliot Schwartz, whose ad agency, SBBW, handles the Pharmacy Professional Awareness Campaign. He believes advertising is the reason for their good showing.





Distraught mum . . . *looking for help at the pharmacy*

Schwartz and his colleagues have been handling the PPAC since 1984, first from within the J Walter Thompson group and lately from within the agency they set up after quitting JWT in 1989.

At that time, pharmacists realised they needed to address a perceptual problem. They were losing business to supermarkets which were expanding in over-the-counter medicines. They tried to fight back, initially on price, but couldn't win against the economies of scale of the big chains.

"The only thing they could beat the supermarkets on was service and advice," says Schwartz. "Our objectives were to re-establish the professional image of pharmacists." A campaign was devised around the 'anxious mother' commercial, which has been running almost unchanged for seven years. Budgets (funded by voluntary contributions from pharmacists) are modest. Having started at about R1m a year, they have risen to about R1,5m now.

Schwartz says the advertising has worked exceptionally well. Public attitudes and perceptions have been tracked since the launch of the campaign and these have shown, among other things:

☐ An upward trend in the percentage of people going to a pharmacist for such non-prescription products as cough and cold remedies, health products, headache preparations and perfumes;

☐ The percentage of people who say their pharmacist is "always helpful and friendly" has risen from 38% to 68%; and

☐ The percentage who say their pharmacist "always offers accurate, professional advice" has grown from 22% to 32%.

Before the campaign the most important reasons cited for shopping at a pharmacy were buying on account, home delivery and "I only buy there because I have to."

In the latest survey, the most important reasons were the purchase of prescription medicines, professional advice and friendly, helpful service.

Markinor's survey of 800 white women shows 75% of respondents believe that pharmacists are highly ethical. Only 74% felt the same way about medical practitioners. Clergymen scored 71%.

How much of this is due to advertising? Well, 57% of those who have seen the PPAC advertisements claim the campaign has influenced their attitude and behaviour. Thus they have probably begun taking to heart the urging of the ad campaign, "Have you asked your pharmacist?"

It may, of course, have also stimulated pharmacists to get out from behind the counter and give advice. ■

THE LOST GENERATION

Media growth patterns are now coming under the influence of the lost generation of black youth, believes Lyndall Campher, media director of Sandton ad agency Hunt Lascaris TBWA.

She points to several trends which she attributes to the decline in literacy and non-ethnic language skills as a result of the anti-education movement during the Eighties.

For example, between 1980 and 1990, the circulation of English-language magazines rose 43%, while those of Afrikaans mags rose 22% and those of black magazines only 10%. Yet population growth among blacks was significantly higher than among whites.

Moreover, the All-Media & Product Survey, Amps, shows that black readership of white magazines and of English-language newspapers also dropped.

"Population growth is not translating into readership growth," comments Campher. "The new township generation is a generation of viewers, not readers. The last two sets of Department of Education & Training matric results were disastrous, so don't look for early corrections."

As viewers they seem to prefer their own languages. Last year, TV2/3 audiences rose by much more than black viewership of TV4. There was also a 20% drop in viewing of M-Net open time among black families.

Part of the reason may be rapid urbanisation. "Country cousins from a traditional base flowing into the towns would tend to begin the viewing habit on TV2/3 rather than TV1/4."

Some viewership is probably underestimated. Campher suspects that squatter-camp viewing is under-assessed as questions on viewing in these communities prompt defensive answers. "They think canvassers are looking for licence-dodgers."

Young viewers

Nevertheless, even underestimates indicate intense viewing by black children. There has been a sharp increase in TV watching by blacks aged between five and 15 over the past year.

"Many factors may be at work, but there's certainly a preference for home-language viewing. My deduction is that the generation that rejected the 'language of oppression,' and then turned its back on all education sponsored by the system, is more comfortable in the vernacular and prefers watching to reading." ■

ADVERTISING FOCUS 1991

Is the traditional ad agency changing beyond recognition in the face of contemporary pressures? Here and abroad, a number of forces are nibbling away at the business base of agencies, forcing them to make crucial decisions about their future roles.

Internationally, the difficulties encountered by such groups as WPP and Saatchi & Saatchi have discredited the concept of the marketing conglomerate, which achieved new strength during the Eighties.

Meanwhile, new types of specialised agencies have emerged to compete for their slice of the pie.

While ad agencies are under pressure, the media are struggling to adapt to equally intense ones.

The question here is, will TV continue to grow at the expense of print? Or will the winds of change in TV broadcasting prove a little too chilly?

These and other issues will be examined in Advertising Focus 1991, the *FM*'s survey of the ad industry to be published in June. Don't miss it.

Tony Koenderman

Probe into price differences of pharmaceutical goods

BEVERLY HUCKLESBY

THE Competition Board is to investigate claims that the prices of pharmaceutical products distributed to drug wholesalers, retail pharmacists, dispensing doctors, private hospitals and clinics are inconsistent.

The investigation is to be gazetted today.

The board said the probe had been launched in response to allegations that the pharmaceutical manufacturing industry discriminated against purchasers who sold drugs on prescription.

SA Druggists MD Tony Karis said he favoured the investigation as the drug wholesale industry received the worst possible price on pharmaceutical products.

"The drug wholesale industry is the largest supplier to the private sector of which private hospitals and retail pharmacies are a major part.

"Dispensing doctors have been known to receive better deals than wholesalers who are paying a relatively high price per 10 000 units compared with the lower prices paid by dispensing doctors for 100 units.

National Drug Wholesalers' Association president Maurice Goldstein said yesterday the association believed "restrictive practices" were prevalent.

"This has been going on for a long time and the contention is that different prices apply to different buyers."

The Pharmaceutical Manufacturing Association was unavailable for comment.

Advice from pharmacists still free (96) spokesman

Staff Reporter Star 25/3/91

The traditional role filled by community pharmacists in offering free advice on health care would continue, said Dave Pleaner, executive director of South African Association of Retail Pharmacists (SAARP).

"There is no question of the practise being discontinued; in fact the very essence of the service is the basis of our current advertising campaign 'Have you asked your pharmacist?'."

He said the message delivered last week by the vice-president of the Pharmacy Council, Don Sutherland, had been misconstrued.

Reports from Durban last week said pharmacists would be allowed to charge a professional fee to customers asking for medical advice.

Mr Pleaner said: "Ready availability of professional advice in pharmacies countrywide enables community pharmacy to play an integral role in providing preventive and primary health care services.

"The demands on these services have increased in line with rapid urbanisation.

"In expanding the role to utilise the expertise and training of the pharmacist more effectively, an extension of professional services provided is being considered. These extended services may entail a nominal fee."

The proposed services and possible fee would be in the best interest of the public from both a convenience and cost effective aspect.

(96)

Pharmacists 'to continue free advice'

Staff Reporter Star 26/3/91

The traditional role filled by community pharmacists in offering free advice on health care will continue, says SA Association of Retail Pharmacists executive director Dave Pleaner.

"There is no question of the practice being discontinued. In fact the very essence of the service is the basis of our current advertising campaign, 'Have you asked your pharmacist?'."

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"In expanding the role to use the expertise and training of the pharmacist more effectively, an extension of professional services provided is being considered.

FOCUS: *Should pharmacists be allowed to charge for advice?*

A bitter wrangle over prescription fees

w/M cut 28/3-4/4/91

CRITICAL CONSUMER

Pat Sidley



THE Pharmacy Council — which is to pharmacists what the Medical and Dental Council is to doctors — will soon be applying to the Department of Health for a change to the charges pharmacists are allowed to levy. According to the council's legal spokesman, they want to replace the present prescription charge (R1,30) with permission to charge whatever the pharmacist wants in whatever way he or she wants for a service rendered.

Pharmacists say they want the change so that they can take their rightful place in the health team alongside other professionals, have their status recognised — and help to address South Africa's severe health care problems.

Their solution means if you consult a specialist physician who explains your ailment, describes the drugs he is prescribing and charges you for the service, the pharmacist will also be able to charge you for dispensing the drug and advising you how to use it — advice which you may not have solicited.

It would also mean that for the less educated, perhaps illiterate black consumer who cannot afford a doctor and walks into a pharmacy (as many millions do every day) and asks for "something for a toothache or headache", the pharmacist will be able to charge a professional fee on top of the cost of the drug sold.

According to the Pharmacy Council's spokesman, any abuses could be reported to them and they would deal with them. However, the Council is not suggesting a scale of tariffs as a guideline for the proposed system, which it supports.

The council spokesman says a pharmacist is first and foremost a professional, not a trader, and entitled to charge for services rendered. He says he believes that when this service is not competent — when for example a painkiller is prescribed for an ailment which worsens until it is life-threatening — the consumer would have recourse to the council, and to common law rights to seek damages.

Pharmacists are not allowed to diagnose or treat illness. The only people who may practise as doctors are doctors, according to the law. However the Pharmacy Council finds the lines more blurred than they seem, and pharmacists can and do determine various minor ailments and offer medicinal remedies for them.

This position was emphasised by Dave Pleaner of the Association of Retail Pharmacists who told *The Weekly Mail* that although in the past pharmacists were able to do far more than they do now, they do offer a service to check cholesterol, high blood pressure and glucose levels. These do not involve a diagnosis, says Pleaner, but an indication which may be followed by the suggestion that the customer see a doctor. Pleaner believes the pharmacist should be able to charge for this type of service.

Pharmacists have a thorough four-year university training which includes anatomy, physiology and pharmacology, resulting in a professional who knows the territory of medicines better than any other health professional. After all, says Pleaner, doctors take only a three-month course in pharmacy, yet they are allowed to dispense drugs.

University training for pharmacists has only existed for the past three years; traditionally they were trained at technical colleges, then at technikons and required few special qualifications at school-leaving level, unlike doctors. However Pleaner says there are constant upgrading courses for pharmacists available.

Neither Pleaner nor the Pharmacy Council spokesman could think of any country in the world where pharmacists could charge in the fashion proposed, although Pleaner said in the US and UK they charge prescription fees. However, in the US and UK consumers can gain from much cheaper drug costs, cut-price drug-stores, dispensing in large retail stores, generic substitution etc.

Pleaner refers this critical consumer away from the notion of higher prices or greater expense to something he calls greater "cost-effectiveness": it is better to receive a more expensive drug and good advice than advice and drugs which are cheap but do damage. With proper government and professional regulations and good training, these issues should not arise.

Whichever way one looks at it, the consumer is going to suffer. The consumer is not given the benefit of knowledge by drug companies whose package inserts are aimed at health professionals, not consumers. Doctors often omit important information and seldom believe their patients need "full knowledge" in case it scares them. The mopping up, when it is done, is done by pharmacists — but the living of these health professionals depends on profits in stores which sell fancy goods and cosmetics.

So, can consumers rely on going into a supermarket which will employ a salaried pharmacist to dispense cut-price drugs?

No, this scenario is illegal. Only a pharmacist is allowed to operate a pharmacy.

Perhaps if the Minister of Health is forced to entertain this proposal seriously, she could see that an independent watch-dog body is set up to check abuses, that a scale of tariffs is set and applied, that other health professionals (like public health nurses) are allowed to dispense necessary, life-saving drugs to the poorer ends of the population, and that supermarkets, under certain conditions, may cut drug prices.

PHARMACISTS Fm 29/3/91

THE ADVICE ROW (96)

The announcement that pharmacists will charge a professional fee for diagnostic advice has proved premature.

Pharmacy Council vice-president Don Sutherland was reported last week as saying that pharmacists would now charge for the advice they give to customers. But the council confirms that nothing has been promul-

Continue →

gated yet that would allow pharmacists to do so.

Pharmacists already charge a professional fee of R1,30 per script on top of their medicine mark-ups. The Competition Board recommended in 1986 that a larger professional fee, based on a pharmacist's time, should replace the mark-up. But Sutherland was the first to recommend that a pharmacist should charge for advice separately from charging for medicines.

Explains Competition Board chairman Pierre Brooks: "We recommended back in 1986 that a mark-up on medicine should be replaced by a professional and administrative fee and that advertising should be introduced. There was no question of recommending that pharmacists should charge a higher fee, and *still* mark up medicines and *still* prohibit advertising."

A proud boast of the pharmacy profession has always been that it offers free advice. This is an important part of the Pharmacy Professional Awareness Campaign (*Marketing & Advertising* March 22). But it now appears that the Pharmaceutical Society was caught unawares by Sutherland's speech. It would not make any official comment.

Kosie van Zyl, MD of the Mediscor chain of pharmaceutical discounters, says he believes that pharmacists should be entitled to give advice, "but I am not sure if much advice is actually given."

Doctors are furious. They have always argued that pharmacists are not trained to diagnose illnesses. The Medical Association is not commenting but it has always argued that diagnosis should be a doctor's prerogative.

Says John Cowlin, a former GP and now MD of Zandfontein Clinic: "Once pharmacists charge for their advice, they are open to litigation if they misdiagnose. Once that happens, pharmacists will realise a diagnostic fee is not such a good idea. And legally, if anyone other than a doctor tries to examine a patient, they are open to charges of assault."

Pharmacists feel under threat from the growth of dispensing doctors, though a massive R2,7bn of prescription medicines go through pharmacies — an average of almost R1m per outlet. And this represents just 40% of their turnover, the rest is over-the-counter medicines and consumer goods such as sunglasses, watches and even jewellery. Dispensing doctors are almost as numerous as pharmacies — there are 2 735 pharmacies and 2 300 dispensing doctors — but they have much lower turnovers. Dispensing doctors, for instance, dispense just 7% of the medicines in the broadly based Barlow Rand medical aid scheme.

In addition, there is no guarantee that medical aids will reimburse their members for a pharmacists' diagnostic fee. Says Medscheme's Les Hollis: "We are obliged to pay a dispensing fee but, if this is no longer a dispensing fee, then this legal obligation would fall away. Economic practicalities might mean that many schemes would not pay the new fee." ■

FOCUS: *Should pharmacists dispense advice?*

The unrecognised professionals

ewl Mail 12/4-18/4/91

96

CRITICAL CONSUMER



Pat Sidley

THE Department of Health and the Pharmacy Council would do well to examine the quality of the advice pharmacists would like to charge for.

Critical Consumer took a potentially serious ailment to several Johannesburg pharmacists, chosen at random. All are large, busy establishments patronised by a wide range of customers.

The ailment presented was a severe headache which had persisted for over a week and which was not responding to treatment with Panado, which contains only paracetemol.

The results of the survey are disturbing.

●According to a doctor consulted for the investigation, pharmacists should advise, along with anything else, that the customer visit a doctor. Not one pharmacist did so.

However, an unqualified assistant at Rocky Street Medicine Depot in Yeoville — who could answer no questions about the medication and did not call the pharmacist to help — did suggest the customer see a doctor.

●In all the pharmacies (including the Yeoville one) the customer was offered expensive, relatively dangerous Schedule 2 drugs. Two in particular were suggested, Betapane and Syndol.

By law, Schedule 2 drugs have to be dispensed by a pharmacist. They contain some low-dose habit-forming drugs like codeine. Each sale ought to be entered in a register with the name and address of the purchaser.

In not one pharmacy was a register offered.

At the Medicine Depot on Corlett Drive the pharmacist was unable to tell the customer whether a register was required. She believed that at the moment she was simply "entitled to refuse to supply a customer who looks like he may abuse the drug".

In all the pharmacies any customer could wander over to the shelf with the schedule 2 drugs and take one to a till for payment, bypassing the pharmacist entirely.

●The type of drugs suggested often have side-effects, like drowsiness, which should be pointed out to the customer, with warnings like "simultaneous intake of alcohol and this drug will lead to drowsiness", or "avoid driving". Only one pharmacist in the survey (at Leitch and Wilson in the Carlton Centre) offered that information.

●In some pharmacies, like the Daelite Pharmacy in Hillbrow, various compounds bottled by the pharmacies themselves were on sale as remedies for "colds and flu". These preparations did not meet the legal requirement that ingredients be listed. An inquiry for more detail about ingredients was met with an extremely vague answer, such as "They all contain pain-killers and analgesics". Customers who know they are allergic to certain ingredients must remember to ask whether the product recommended contains that ingredient; pharmacists in the survey did not offer that information.

●In the Galleria Pharmacy in Rosebank, a pharmacist offered a small vial which contained two different types of capsules and pronounced that "This will kill any headache. They are the strongest available."

When the customer asked what type of medication it was — as the pharmacist did not volunteer the information — the pharmacist said it contained two types of anti-inflammatory. Only when pressed repeatedly by the customer to tell her more about the drug did he ask: "Do you have an ulcer?"

An anti-inflammatory is contra-indicated for anyone with an ulcer. The question should have been asked before the drug was offered.

This trail of conduct was taken to the Pharmacy Council (the pharmacists' controlling body) for comment, particularly in light of the fact that pharmacists are to ask for an unspecified and unlimited "professional fee" for dispensing advice to customers.

A spokesman for the council was "obviously very disappointed" and said he could only hope this position would improve when the new fee system was introduced.

He said the council was hoping to jack up its system of licensing pharmacies. At present no inspectorate existed but the council was hoping to introduce one which would see to it that, among other things, Schedule 2 drugs could not be handled by the public or unqualified assistants.

He said the council was aware that those drugs were seldom if ever being entered in registers and it was a problem. He said he hoped this position would improve when the new professional fee was introduced.

He felt that "perhaps pharmacists are now behaving in the way they have always been forced to behave because they have not been recognised as professionals".

Govt pledge on medicine cost report

TANIA LEVY

GOVERNMENT was making every effort to release the report on the high cost of medicine, produced by the late Economic Co-ordination Minister Wim de Villiers, National Health and Population Development Minister Rina Venter said at the weekend.

Addressing the Pharmaceutical Manufacturers' Association in Pretoria, Venter said she had told her department to investigate possible ways to contain medicine costs in the interim.

The cost of medicine has been identified as one of the most significant factors contributing to the rising cost of health care.

She said medicine costs could be lowered by making better use of available manpower.

Other areas which had to be looked at included generic substitution of medicines under set conditions, and forming private health teams.

Pharmacists lose out again on the generic drugs issue

Another victory for vested interests

W/Mail 24/5-29/5/91

CRITICAL CONSUMER

Pat Sidley



PARLIAMENT has missed out on a golden opportunity to cut drug costs for consumers — and the major beneficiary will be the drug companies manufacturing brand name drugs.

While the Medicines and Related Substances Control Act is being amended, pharmacists had hoped parliament would agree to allow them to substitute cheaper alternatives to brand name drugs prescribed by doctors.

This is a hardy annual — it has been discussed endlessly, most recently by the SABC's Isobel Jones — and the issue was before a parliamentary select committee, which dumped the idea again.

The new amendment, pharmacists hope, will in any event allow more flexibility in their dispensing practices and perhaps eventually in their ability to initiate (as opposed to having a doctor initiate) the prescribing of some drugs so the public does not have the extra expense of going to a doctor.

And further down the line, pharmacists expect there will be more flexibility in the medical and nursing professions which will hopefully mean more primary (and curative) health care brought to more people who at present have no access to it.

But for the time being, vested interests won out again and pharmacists are unable to substitute cheaper drugs on prescriptions.

The argument is as follows: large pharmaceutical companies [illegible] search and development

When the patent ends, it's open season for other manufacturers to copy the drug, give it a different name (although it will carry the same "generic" name reflecting the same formula) and put it on the market for considerably less.

So, for instance, a drug with the generic name of Amoxycillin Trihydra (a penicillin-type drug) sold under its original developer's name Amoxil, would cost R17,67 for 15 250mg capsules. The same drug made and marketed just under its generic name would cost R10,30 for the same quantity.

There are many wider differences which would obviously help the consumers. The argument against generic substitution accuses the manufacturers of generics of not producing the same quality which may affect absorption and other factors.

However, most consumer organisations favour generic substi- [illegible] ch information is now available to show that short-

cretion to substitute or at the very least to discuss its merits with their patients.

The law in this country stipulates that the pharmacist has to dispense drugs exactly according to prescription. But there is nothing to stop a doctor from writing the generic name on the script or something like "Amoxil or generic substitute".

According to the UK Consumer Association's *Drug and Therapeutics Bulletin*, in 1987 more than a third of prescriptions used the generic name — allowing the pharmacist and the patient discretion to choose what drug to dispense. Figures in the United States show similar trends and pharmacists in both those countries are able to substitute cheaper drugs when dispensing.

Unfortunately doctors, like everybody else, are susceptible to psychological factors. Research has shown that a drug marketed under a short snappy name is likely to be remembered, and the doctor may not recall another name when writing out the script.

That is why consumers should press the issue themselves. Vested interests have ensured that once again if consumers do not put their own pressure on, nobody is going to help.

Medicines Control Council chairman Peter Folb has repeatedly assured this Critical Consumer that the controls on all drugs produced here are adequate and that generic drugs have adequate controls to ensure good quality and efficacy. There are instances all over the world where differences between products justify some concern, but again consumers can help this process along by reporting side effects and asking their doctors to ensure that [illegible] goes to the relevant authorities.

[illegible] mandatory drug

these issues and in the contribution they make. Some do more than others.

However, there's no doubt that the attainment of stability and prosperity will demand an enormous effort from the whole of the private sector and my hope is that all companies will rise to the challenge.

Whatever government is in power will have to structure a political and economic environment conducive to foreign investment.

It is obviously important to all people in business that the correct economic environment be created and maintained and this is a challenge for our company. By its very nature business is a risk, but entrepreneurs are willing to take risks if they feel comfortable in a given environment and if they're allowed to realise the rewards for their risks.

This is particularly important to foreign investors. We have a desperate

leading oil company, with strong and expanding businesses in related areas. To this end there will be a renewed concentration on our core businesses: oil, chemicals and minerals.

We also believe that, as sanctions are lifted and as South Africa becomes politically acceptable, there will be new opportunities for trade in southern Africa with its population of some 100 million people. With that in mind, we are progressing well with plans to expand our facilities; providing even better quality products while taking into account the need to protect our fragile environment.

This will be facilitated by the fact that as a part of a multinational company we will have the important advantage of access to new and improved technology.

Our belief that Shell could achieve more by staying in South Africa than by disinvesting has been vindicated.

THE MEDICINE WAR

Doctors take rural chemists to task for dispensing drugs by computer

ST Times 26/5/91

By TERRY VAN DER WALT

A LONG and bitter battle between doctors and pharmacists has come to a head in a tiny Zululand town. A chemist in KwaMbonambi near Richards Bay is using a computer, and assistance from a nursing sister, to diagnose illnesses and dispense drugs and treatment to rural blacks.

The move has been interpreted as a reaction to the increasing volume of drugs being dispensed by doctors which has put the two professions at loggerheads.

The patients may be happy with the set-up but a local doctor has declared war on Viek Nel's operation at Kwambo Pharmacy.



COMPUTER TROUBLE: Viek Nel, Sister Grace Mtiyane and patient Dumisani Gumede Picture: JIMMY HUTTON

The doctor, who may not be named for professional reasons, says the pharmacy's system does not offer a doctor's quality of care and could endanger patients' lives.

Mr Nel counters that the first salvo was fired by local doctors when they started dispensing drugs late last year. The doctor says his practice has been dispensing drugs for years. Mr Nel says: "I came near to closing my business because I was losing 75 percent of my prescription takings."

At the eleventh hour a salesman told Mr Nel about the new Diagnosis on Computer (Doc) computer programme and by January he had a nursing sister and a computer dispensing medical treatment.

Intercare's Doc system was developed by Dr Brian Briggs and Dr Stanley Javett. It costs R5 000 plus R1 for each diagnosis and is in use in 15 centres in southern Africa.

Plan

Sister Grace Mtiyane has already seen more

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A pharmacist at Richards Bay, Ben Wiid, has also mothballed his fitted caravan and now uses the Doc system only in his pharmacy.

The doctor said he did not have a problem with the system itself but with the way it was being used as a "commercial" tool by pharmacists.

"There is a place for it but it must be under the authority of the government health body and needs to be policed to prevent abuse," he said.

Such abuse could be the incorrect dispensing of an antibiotic for a suspected chest infection when the

Medical Association about the scheme on ethical and other grounds.

"The question is, are they registered to do what they are doing? If not, they must go and swot medicine," he says.

Dr Javett, who developed the computer programme, says the controversy stemmed from the medical profession's "inability to accept innovation".

"I wrote the programme for use in the rural areas where medical treatment is desperately needed — we have to start somewhere instead of yakking and getting nowhere.

"The law needs to be looked at again and it seems likely that the rights

ispensing drugs by computer

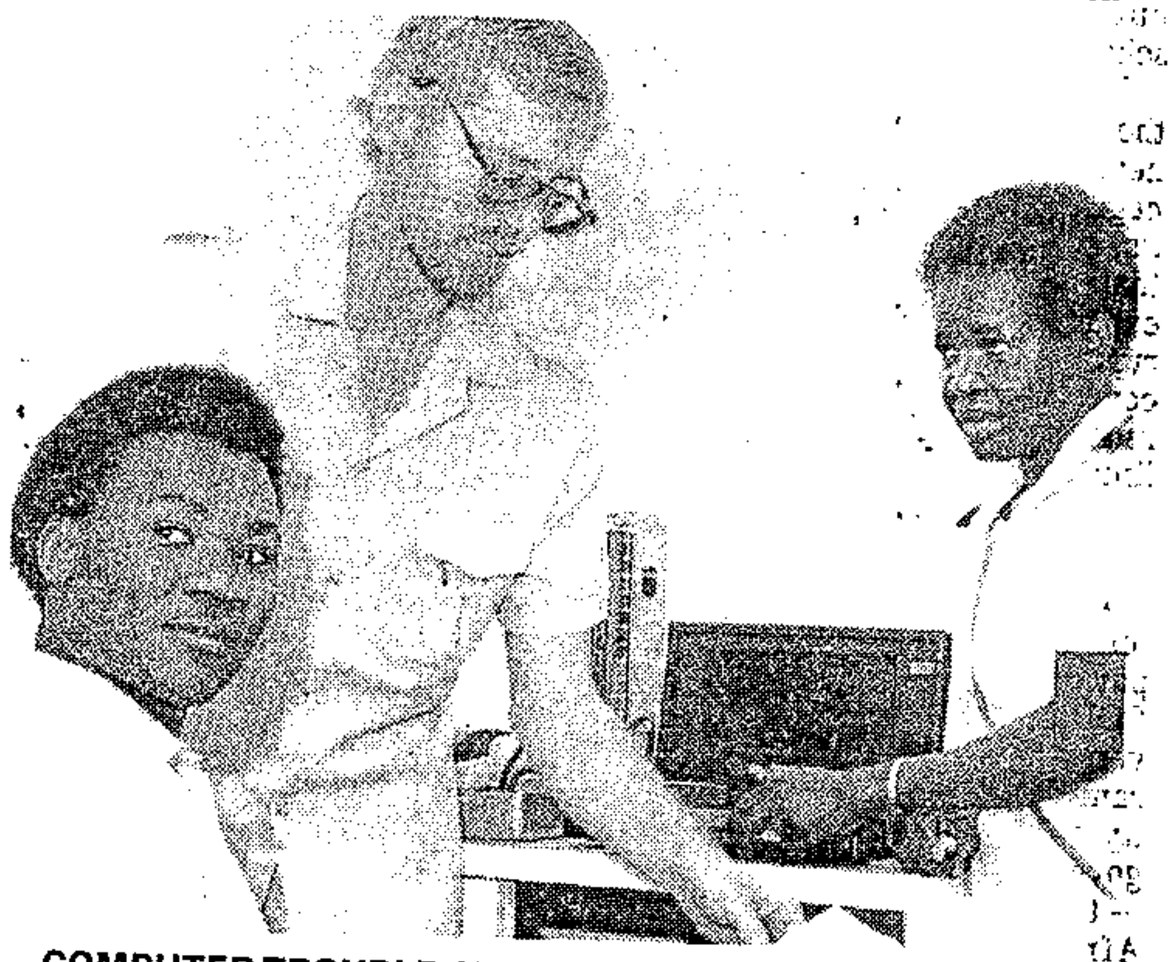
ST Times 26/5/91

By TERRY VAN DER WALT

A LONG and bitter battle between doctors and pharmacists has come to a head in a tiny Zululand town. A chemist in KwaMbonambi near Richards Bay is using a computer, and assistance from a nursing sister, to diagnose illnesses and dispense drugs and treatment to rural blacks.

The move has been interpreted as a reaction to the increasing volume of drugs being dispensed by doctors which has put the two professions at loggerheads.

The patients may be happy with the set-up but a local doctor has declared war on Viek Nel's operation at Kwambo Pharmacy.



COMPUTER TROUBLE: Viek Nel, Sister Grace Mtiyane and patient Dumisani Gumede Picture: JIMMY HUTTON

The doctor, who may not be named for professional reasons, says the pharmacy's system does not offer a doctor's quality of care and could endanger patients' lives.

Mr Nel counters that the first salvo was fired by local doctors when they started dispensing drugs late last year. The doctor says his practice has been dispensing drugs for years. Mr Nel says: "I came near to closing my business because I was losing 75 percent of my prescription takings."

At the eleventh hour a salesman told Mr Nel about the new Diagnosis on Computer (Doc) computer programme and by January he had a nursing sister and a computer dispensing medical treatment.

Intercare's Doc system was developed by Dr Brian Briggs and Dr Stanley Javett. It costs R5 000 plus R1 for each diagnosis and is in use in 15 centres in southern Africa.

Plan

Sister Grace Mtiyane has already seen more than a thousand patients and she has been able to treat most with drugs recommended by the computer.

Kwambonambi has a small white population but serves a growing number of Zulus.

The pharmacy caters for a diverse clientele, reflected in products ranging from sophisticated cosmetics to clay lumps at 99 cents each which women labourers apply to their faces to ward off the sun.

Mr Nel says his plan had been to provide a mobile clinic network involving other pharmacies to cover most of KwaZulu.

But a month ago he was reported to the Medical Association and was forced to delay.

A pharmacist at Richards Bay, Ben Wiid, has also mothballed his fitted caravan and now uses the Doc system only in his pharmacy.

The doctor said he did not have a problem with the system itself but with the way it was being used as a "commercial" tool by pharmacists.

"There is a place for it but it must be under the authority of the government health body and needs to be policed to prevent abuse," he said.

Such abuse could be the incorrect dispensing of an antibiotic for a suspected chest infection when the patient in fact has the first signs of malaria.

"The antibiotic then masks the symptoms of malaria which delays the patient's attendance at a proper venue and once he does arrive at a doctor it could be too late," he said.

At Kwambo Pharmacy, a doctor signs prescriptions and checks that diagnoses are correct days or weeks after the patient has been seen.

If a patient develops complications, that doctor could be held responsible, the doctor says.

Dr Roy Davey, secretary of the National General Practitioner's Group, says the group will object to the Medical Association about the scheme on ethical and other grounds.

"The question is, are they registered to do what they are doing? If not, they must go and swot medicine," he says.

Dr Javett, who developed the computer programme, says the controversy stemmed from the medical profession's "inability to accept innovation".

"I wrote the programme for use in the rural areas where medical treatment is desperately needed — we have to start somewhere instead of yakking and getting nowhere.

"The law needs to be looked at again and it seems likely that the rights and privileges of pharmacists will be extended."

Powers

Andre de Wet, a Democratic Party MP and member of the parliamentary joint health committee, says the Medicines and Related Substances Control Amendment Bill which goes to the vote in two weeks would give pharmacists greater discretionary powers to dispense a broader range of medicines.

"If it is passed, the Minister of Health will be empowered to draw up lists of medicines that can be dispensed in rural areas, even by a nurse," he says.

Pharmacists reject ANC drug idea

(96) CT 19/6/91

Staff Reporter

THE Pharmaceutical Society of South Africa yesterday rejected ANC suggestions that the state produce generic drugs to reduce prices, saying discounting and bonus sampling were mainly responsible for high drug prices.

Executive director Mr "Boet" van der Merwe said his society was "basically for the free enterprise system" but agreed in principle with the ANC that cheaper medicine should be made available to more people.

"What we need is to find a common platform after talking to one another," he added.

He was responding to recent comments by Mr Khetso Gordon, a senior ANC economics spokesman, that rationalisation might be necessary to correct an overemphasis on producing patented drugs rather than the cheaper generic drugs.

Mr Gordon suggested that generic drugs produced and supplied directly by the state to the public health sector would cut consumer costs.

The ANC was conducting a feasibility study into creating a state-controlled pharmaceutical utility but needed to "get our ideas far more coherent before we begin talking to the drug industry", he said.

Mr Van der Merwe said his society favoured greater use of generic drugs but simply to use medicine prices as criteria would be "absolutely wrong".

"You have to look at cost-effectiveness," he said. "A patented medicine tends to be more cost- and cure-effective with less frequent doses necessary. Generics tend to be older medicines," he said.

Mr Gordon, who holds an MA in economics from Sussex University, said marketing and advertising had inflated drug prices almost beyond the reach of the consumer.

Outdated laws 'keep health costs rising'

Political Staff

THE cost of health care in South Africa has increased by more than 350%, more than 40% higher than the Consumer Price Index (CPI), in the past eight years because of outdated legislation and creeping monopolism in the medication industry, says Deloite Pim Golby health-care specialist Mr Greg Candy.

Research he had done into the pharmaceutical and medical industry had given strong credence to the ANC position that primary health care was far too expensive, Mr Candy said.

"In the pharmaceutical industry, for example, a handful of manufacturers and wholesalers, along with 6 000 dispensing doctors, have a vested interest in maintaining the high cost of medication.

"Generic substitution, which would have the effect of reducing an over-regulated industry, is heavily restricted," he said.

The ANC said at the weekend that they were investigating generic substitution for ethical drugs with a view to the state's producing 160 drugs identified by the World Health Organisation as necessary for good primary health care.

Mr Candy said South Africans were spending 350% more on health care than in 1983, which was "considerably more than the CPI increase of 250% over the same period".

He said local health care was not cost-effective because restrictive laws protected monopolies.

Similarly, the fee-for-service system kept the cost of consultations "immune" to influences of the market system, like supply and demand.

He said the industry needed restructuring to allow consumers and providers of cost-effective health care to benefit, rather than private hospitals, doctors and research-based multinationals.

In this way drug retailers could have greater influence on manufacturers, especially if they consolidated their "purchasing muscle" and this in turn would benefit the larger wholesaler who could be the vehicle for consolidating retail purchasing power.

Monday

in SA Masatoshi Ohta.

is Japanese consul-general

Picture: ROBERT BOTHA

Power cuts will hit non-payers

B/Day 19/7/91

THEO RAWANA

THE Atteridgeville Town Council will selectively cut power to non-paying residents in a bid to avert a total cut-off, the Pretoria City Council said yesterday.

Pretoria has threatened to cut power to Atteridgeville — a move which would affect all 170 000 residents — because most residents have not paid new monthly tariffs which range from R75 to R190. Atteridgeville owes Pretoria R5,8m.

The Pretoria management committee said in a statement yesterday payment was disappointing and only 15% of residents were paying the new tariffs.

Pretoria rejected a last-minute attempt by the Atteridgeville-Saulsville Residents Organisation to convene a meeting because it had "no new information".

Police called to probe rising medicine thefts

B/Day 19/7/91

THEFT of medicines in the pharmaceutical industry and in the medicine distribution system should be investigated by the police, the Pharmaceutical Manufacturers' Association of SA has said.

Yesterday's announcement by PMASA executive director John Toerien followed statements earlier this week in the annual report of Premier Group subsidiary PDC Trading, in which PDC Holdings chairman Gordon Utian said crime in the pharmaceutical industry was at its highest level.

He alleged a grey market had developed as a result of pricing and manufacturers' policies. He said manufacturers favoured short-line wholesalers, dispensing doctors, trading doctors, private clinics and other pharmaceutical buying groups by supplying goods at lower prices than they supply to traditional full service wholesalers.

The PMASA — which represents almost all of the country's pharmaceutical manufacturers — had for some time been concerned about shrinkage, Toerien said.

"It is for this reason that the PMASA has been in contact with the Department of Law and Order to ensure that special attention be given to what could (be) termed theft of medicines.

"We interpret 'burgeoning grey market', as contained in the PDC statement, to mean the difference between a dispensing doctor and a trading doctor.

"We interpret a trading doctor as somebody who buys medicine and sells it (at a) profit.

"This, naturally, is illegal and cases of this nature should be reported to the SA Medical and Dental Council."

Toerien described the tender market situation as very sensitive. Among the reasons why manufacturers could quote competitive prices to the State Tender Board were that huge quantities and limited delivery points were involved. — Sapa.

Row flares over dispensing chain stores

B/Day 19/7/91

WILLIAM GILFILLAN

CHAIN stores would be able to dispense medicines "when the SA Pharmacy Council is persuaded to change its rules which prevent the stores from employing pharmacists", Competition Board chairman Pierre Brookes said yesterday.

Brookes said the council would be persuaded "either on the basis of their own conviction or as a result of pressure from government or the general public".

The controversy surrounding the dispensing of medicines by chain stores was brought to the fore again by Gordon Utian, chairman of pharmaceutical distributor PDC Holdings.

In the PDC annual report, Utian said that as chain stores might possibly be permitted to dispense medicines soon, PDC was expanding its customer base from retail pharmacies to the "entire health industry".

In terms of the SA Pharmacy Council's ethical rules, pharmacists may not be in the employ of anyone other than a fellow pharmacist.

This is a stumbling block for chain stores as they would have to employ pharmacists to dispense medicines.

Pharmaceutical Society executive director Boet van der Merwe justified this: "Owners who are not pharmacists do not feel bound by the ethical rules of the council, because they do not fall under it".

Pharmacy Council registrar Daan Naude said he did not foresee the present situation changing "in the light of the current views of the council and current legislation".

The Pharmacies Act prohibits chain stores from opening pharmacies.

Checkers MD Serge Martinengo said it would be some months before anything came to fruition.

Spar group CE Peter Hughes said chain stores in America, Germany and Austria had been dispensing medicines for some time.

He did not think the Spar group would be much effected by any changes, with possibly "only one or two of the very big stores" dispensing medicines.

Analysts said that while Pick 'n Pay, Checkers and OK stores would benefit through any changes, it was the Clicks group that would benefit most. They believed Clicks, which had around 100 stores countrywide, had been making representations calling for changes for some time.

Stirring call to pharmacists

JOHANNESBURG. — Pharmacists needed to make a greater professional contribution to health services, the directorgeneral of National Health and Population Development, Dr C F Slabber, said yesterday.

Speaking at a gathering of community pharmacists here, he said the rapid changes in South Africa had created new demands for health care.

Dr Slabber said that if changes were to be made in community pharmacy, they would have to concentrate on defining the role of the pharmacist.

He warned that the pharmacy profession was at a turning point and there was urgent need for change. — Sapa

Any person may within thirty (30) days from the publication of this notice make written representations regarding the investigation to the Director: Investigations of the Competition Board, Private Bag X720, Pretoria, 0001. Telefax No. (012) 322-5428. (Reference R4/1/2/2/17.)
(26 July 1991)

Enigiemand kan binne 'n tydperk van dertig (30) dae vanaf publikasie van hierdie kennisgewing skriftelike vertoë aangaande hierdie ondersoek rig aan die Direkteur: Ondersoeke van die Raad op Mededinging, Privaatsak X720, Pretoria, 0001. Telefax No. (012) 322-5428. (Verwysing R4/1/2/2/17.)
(26 Julie 1991)

NOTICE 684 OF 1991

MINISTRY FOR ECONOMIC CO-ORDINATION AND PUBLIC ENTERPRISES

PUBLICATION OF REPORT BY THE COMPETITION BOARD

I, Dawid Jacobus de Villiers, Minister for Economic Co-ordination and Public Enterprises, acting in terms of section 12 (4) (b) of the Maintenance and Promotion of Competition Act, 1979 (Act No. 96 of 1979), hereby publish the report by the Competition Board which appears in the Schedule to this Notice.

KENNISGEWING 684 VAN 1991

MINISTERIE VIR EKONOMIESE KOÖRDINERING EN OPENBARE ONDERNEMINGS

PUBLIKASIE VAN VERSLAG DEUR DIE RAAD OP MEDEDINGING

Ek, Dawid Jacobus de Villiers, Minister vir Ekonomiese Koördinering en Openbare Ondernemings, handelend ingevolge artikel 12 (4) (b) van die Wet op die Handhawing en Bevordering van Mededinging, 1979 (Wet No. 96 van 1979), publiseer hiermee die verslag van die Raad op Mededinging wat in die Bylae tot hierdie Kennisgewing verskyn.

SCHEDULE

COMPETITION BOARD

REPORT No. 27

INVESTIGATION INTO ALLEGATIONS OF RESTRICTIVE PRACTICES BY OR INVOLVING PHARMACEUTICAL WHOLESALERS AND RETAIL PHARMACIES

INTRODUCTION

1. Notice of the investigation was given under Government Notice No. 1354 in *Government Gazette* No. 12149 of 27 October 1989. This particular investigation is the latest in a series of investigations[1] that have been conducted over the years involving participants in an industry, certain sectors of which, with a few notable exceptions, have at best been lukewarm in their adherence to the basic tenets of a free market economy.

2. The investigation was precipitated by the incorporation of MDS Mediscor CC (Mediscor) on 1 September 1988 and its subsequent commencement of business as the facilitator or broker of a medicine distribution system it had devised, involving wholesalers, medical schemes and retail pharmacies.

3. In essence the scheme entails that participating retail pharmacists will afford the members of participating medical schemes at least a 20 per cent discount on the manufacturer's recommended price of the prescription medicine they purchase. Following the dispensing action retail pharmacists submit their claim for the amount owing to them in terms of the rules of the particular medical scheme to the central pay office established and administered by Mediscor. Mediscor in turn consolidates and recovers all claims against medical schemes and reimburses the retail pharmacists. For this it receives a fee calculated on a predetermined basis.

4. The line of business in which Mediscor is involved was, prior to its entry into the pharmaceutical market on 31 March 1989, substantially the preserve of Medikredit (Pty) Ltd (Medikredit), which operates as a subsidiary company of the Pharmaceutical Society of South Africa (PSSA) and which, before it changed its name during the second half of 1990, was known as PSSA Contracts (Pty) Ltd. The unexpected arrival of a competitor (Mediscor) galvanised the PSSA into frenetic activity. A series of meetings were arranged by various regional branches of the Society to discuss the role of Mediscor and/or "the ramifications of excessive discounting" (by retail pharmacies) and the perceived "period of mindless cannibalism" that confronted the profession. Medikredit also offered increased discounts to medical schemes that participated in its contract dispensing service system, and embarked on an extensive advertising compaign to publicise the benefits of association with the company.

5. Mediscor was of the opinion that the latter activity was conducted contrary to certain provisions of the South African Pharmacy Council's ethical rules that were promulgated in terms of section 31 of the Pharmacy Act, No. 53 of 1974. It accordingly sought an interdict against the PSSA prohibiting them from advertising the Medikredit scheme in any manner that conflicted with the said ethical rules. An interdict to that effect was duly granted by De Klerk, J., of the Transvaal Provincial Division of the Supreme Court on 13 October 1989. Subsequently, on 23 November 1989, the Society and Mediscor signed an agreement in terms of which they, *inter alia*, agreed not to advertise their respective schemes in a manner that conflicted with the relevant ethical rules.

6. The Competition Board became involved in the PSSA/Mediscor confrontation when, following a complaint by Mediscor and a preliminary assessment of the situation by the Board, it appeared that *prima facie* restrictive practices were being utilised to undermine Mediscor's position. It was accordingly decided to launch a formal investigation into the matter in terms of section 10 (1) (a) of the Maintenance and Promotion of Competition Act, No. 96 of 1979.

96

7. Government Notice No. 1354 was couched in general terms and invited interested parties to submit written representations regarding the existence of restrictive practices by or involving pharmaceutical wholesalers and retail pharmacies. It specifically mentioned that boycott actions would be investigated.

8. Mediscor's submissions were detailed and lucid. They covered all aspects which the corporation believed requried the Board's attention. These aspects will be addressed later in the report.

9. Initially there was no response in the form of enquiries, statements or denials from the National Wholesale Drug Association, individual wholesalers, the PSSA or individual pharmacists. However, in replying to queries that were subsequently put to them by the Board, the National Wholesale Drug Association and individual wholesalers denied that they were party to any restrictive practices, and also sought to justify the need for certain provisions in the respective standard form contracts the individual wholesalers had entered into with retail pharmacies. Denials of anticompetive behaviour were also forthcoming from PSSA officials when they were approached for comment.

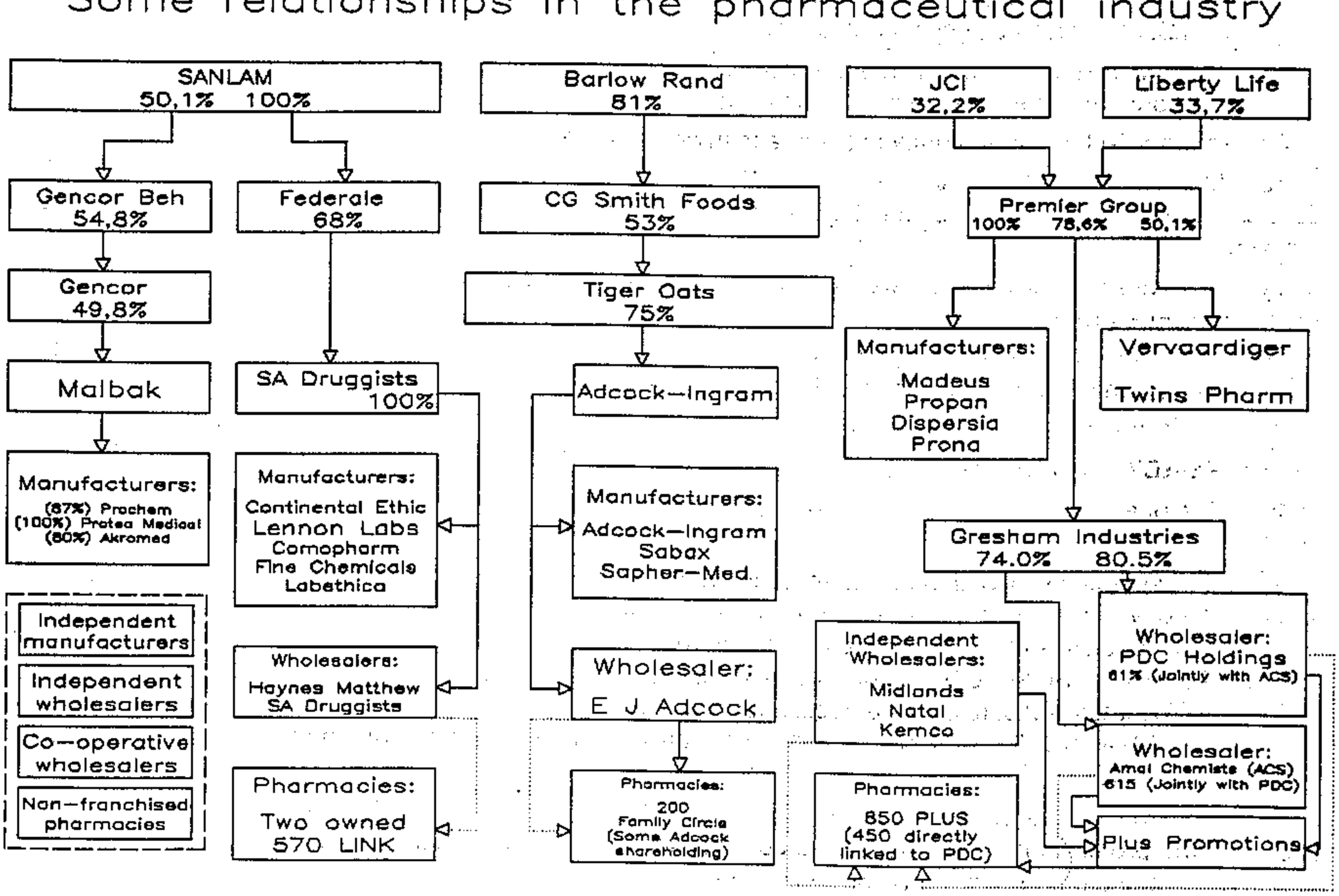
10. The Board's report had almost been completed when their attention was drawn to a development which suggested that certain retail pharmacists in the Pretoria–Brits area, allegedly at the instigation of a local attorney, were contemplating action which in effect sought a dispensation that in certain respects was more restrictive than the arrangements that applied before Mediscor appeared on the scene. More specifically, evidence in the form of tape recordings was made available to the Board which indicated that the said attorney was attempting to induce pharmacists to join a scheme, one of the principal features of which was that the participating pharmacists would not give any discount on the price of prescription medicine to the members of medical schemes. It was submitted by the party providing this evidence that the envisaged scheme was in conflict with the rules governing competition.

11. Before dealing with the allegations of restrictive practices and ancillary matters, it is necessary to consider briefly the structure of the pharmaceutical industry and the pharmacy profession, as well as the interrelationship and interaction between the profession and industry, and the mechanics of the supply of prescription medicine by retail pharmacists to members of medical schemes.

STRUCTURE OF PHARMACEUTICAL INDUSTRY

12. The diagram depicting some relationships in the pharmaceutical industry shows that major wholesalers such as South African Druggists Ltd, E. J. Adcock Ltd and PDC Trading Ltd are linked to manufacturers on an intragroup basis via a common holding company.

Some relationships in the pharmaceutical industry



Notes: (1) The majority of pharmacies are owned by individual pharmacists

(2) Linkage by: .... Notarial bonds (some) and ____ Shareholding

13. Wholesalers have always played a prominent role in the establishment of retail pharmacies by providing many of them with the necessary financial backing. The substantial loan and credit facilities which were, and are still, made available to pharmacies are covered by a notarial general covering bond in favour of the wholesaler which, *inter alia,* hypothecates the assets of the pharmacy in question and the movable assets of the relevant pharmacist. Pharmacies which have entered into this type of agreement with a wholesaler may conveniently be termed "bonded pharmacies". The Board have been given to understand that the great majority of pharmacies in South Africa were established through funding of this kind, and that a large number of such businesses are still "bonded".

14. Since wholesalers (with a few exceptions that still remain from the previous dispensation) may themselves not also be the owner of a retail pharmacy in terms of the South African Pharmacy Council's ethical rules, they (the wholesalers) have organised an extensive network of retail pharmacies to promote and facilitate the distribution of their pharmaceutical and non-pharmaceutical products. The "bonded pharmacies" obviously feature prominently in this arrangement, but participation in the scheme is not restricted to such pharmacies.

15. Thus, one finds that approximately 570 LINK pharmacies are tied to South African Druggists Ltd, while approximately 200 FAMILY CIRCLE pharmacies and 450 PLUS pharmacies are tied to E. J. Adcock Ltd and PDC Trading Ltd respectively. In addition about 390 PLUS pharmacies are tied to their own wholesale operations (known as co-operative wholesalers) and to Plus Promotions (Pty) Ltd, while some 180 BONUS pharmacies in the Eastern Cape are tied to East Cape Pharmaceuticals Ltd operating out of Port Elizabeth.

16. The benefits that are said to accrue to pharmacies that belong to one of the aforesaid groups of chemists include the enhanced discounts and "kick backs" or volume discounts, joint national advertising campaigns and the assistance that is provided in respect of store design and computer systems. About two-thirds of all pharmacies in South Africa are said to operate in this manner.

17. Three manufacturers' associations exist. They are:

(a) The Pharmaceutical Manufacturers' Association of South Africa, to which all ethical (prescription) medicine manufacturers (i.e. the major multi-national and wholly-owned South African companies) operating in the Republic belong.

(b) The National Association of Pharmaceutical Manufacturers of South Africa, which speaks on behalf of South African-owned manufacturers.

(c) The Proprietary Manufacturers Association of South Africa, which represents the manufacturers of proprietary ("over-the-counter") medicine.

Certain manufacturers are members of more than one association.

18. Membership of the National Wholesale Drug Association is restricted to so-called "full service" wholesalers which, as their appellation suggests, deal in the full range of all pharmaceutical products that are sold in a pharmacy.

19. The collective interests of retail pharmacists **as businessmen** are looked after by the National Association of Retail Pharmacists.

20. The managing director of a pharmaceutical manufacturer and a pharmaceutical wholesaler must by law be a pharmacist who is registered with the South African Pharmacy Council. Only a registered pharmacist may own a retail pharmacy.

THE PHARMACY PROFESSION

21. The pharmacy profession is regulated by the Pharmacy Act, No. 53 of 1974, and rules issued pursuant thereto.

22. The Act makes provision for the establishment of the South African Pharmacy Council comprising 16 members, 12 of whom must be registered pharmacists. In terms of section 41 of the Act the Council may from time to time make rules relating to acts or omissions in respect of which it may take disciplinary steps. These rules only take effect when approved by the Minister of National Health and Population Development and published in the *Gazette*. The latest set of rules were published under Government Notice No. R. 599 in *Government Gazette* No. 11792 of 31 March 1989. Only persons who are registered as pharmacists with the Council may practice as such in the Republic.

23. The Pharmaceutical Society of South Africa (PSSA) is a legal persona that was established, *inter alia,* to promote the professional, educational and commercial interest of pharmacists, and to maintain the integrity and standards of the profession, with a view to providing an efficient pharmaceutical service to the public.

24. The Society has branches throughout South Africa. Its executive committee comprises a president, vice-president, treasurer, the immediate past president and 10 additional members. Further organisational structures include the general council, presidential committee and various sub committees.

(96)

25. The structure of the pharmaceutical industry and the pre-eminent position of the pharmacist within it holds out the prospect (some would say danger) that by virtue of the positions they may hold simultaneously in different organisations, certain individuals could exert a substantial degree of influence over other natural and juristic persons operating in the industry. It would, for example, appear to be possible for a registered pharmacist working for a wholesaler with a number of "bonded pharmacies" to be a member of the South African Pharmacy Council, serve on the executive committee of the Society and, perhaps, even retain links with the South African Association of Retail Pharmacists. Moreover, his employer would probably be a member of the National Wholesale Drug Association.

26. Medikredit (Pty) Ltd is the alter ego of the PSSA. It was incorporated by the Society with the object (a) of negotiating with medical schemes on behalf of the individual members of the Society, (b) to afford pharmacists the benefit of a central payment system, and (c) to ensure that the so-called "open panel system" (designed to afford the members of medical schemes a free choice of dispensing chemists) was maintained.

27. Because in its dealings with medical schemes, Medikredit is perforce engaged in an activity that individual pharmacists are precluded from pursuing in terms of the applicable ethical rules, ie in effect touting for work, it was necessary for the South African Pharmacy Council specifically to grant an exemption from the said rules to the company.[2] These rules were amended on 31 March 1989 and effectively rescinded Medikredit's sole right to tout by removing a hitherto insurmountable regulatory barrier to entry for other potential participants in this field.

28. The way in which Medikredit operated had fallen foul of certain provisions in Government Notice No. 801 in *Government Gazette* No. 10211 of 2 May 1986. It was, more particularly, the prohibitions relating to horizontal price collusion and horizontal collusion on conditions of supply that presented problems to the company. As a result, it had in the past applied for an exemption from the relevant prohibitions. The responsible Minister, acting on recommendation of the Board, initially granted a temporary exemption until 31 December 1988, which was subsequently extended until 31 December 1990. A further application for a permanent exemption was submitted by the PSSA on behalf of Medikredit. However, the necessity of an exemption fell away when the PSSA undertook to amend the offending contractual provisions in a manner which placed them outside the scope of the prohibition.

SUPPLY OF PRESCRIPTION MEDICINE BY RETAIL PHARMACISTS TO MEMBERS OF MEDICAL SCHEMES

29. A retail pharmacist may be involved in dispensing medicine to the members of a medical scheme in one or more of the following ways:

(a) He may enter into a contract with one or more medical schemes in terms of which the members of those schemes qualify for certain privileges, such as special discounts and advantageous credit facilities, when purchasing prescription medicine from him. A pharmacist would, obviously, only enter into such an arrangement if assured of an increased turnover to offset the discounts offered.

(b) He may join the system which operates under the Medikredit banner. In this case it is Medikredit that enters into agreements with medical schemes. In terms of his (separate) contract with Medikredit, the retail pharmacist is obliged to honour the terms of the contracts concluded by Medikredit and the respective medical schemes. These terms usually relate to special discounts and a centralised payment system.

(c) He may contract with Mediscor (or a similar organisation). In this case the contractual arrangements basically correspond with those that apply under the Medikredit system. There are, of course, differences in detail. For instance, Mediscor, unlike Medikredit, has no formal ties with the pharmacy profession. It also appears as if the discounts which Mediscor is able to offer participants is at present substantially better than those that Medikredit is able to provide.

(d) He may have no contractual arrangements with any medical schemes or intermediaries and, therefor, treats each customer on an *ad hoc* basis.

ANALYSIS OF COMPLAINTS

Boycott actions

30. In an affidavit dated 18 September 1989, and more particularly in clause 9 thereof, Mr J. D. van Zyl, the general manager of Mediscor, alleges, and provides carefully documented details (names, dates, places) in support of the allegation, that the then president and executive director or the PSSA, other office bearers in that organisation, certain retail pharmacists and persons associated with wholesale companies, mounted a concerted, well-orchestrated campaign to procure the boycotting of Mediscor by retail pharmacists and one or more wholesale operations. These actions allegedly took place during the period that extended from 15 March 1989 to about the end of August of the same year.

31. Other information received lends credibility to Mr Van Zyl's allegation. In an affidavit dated 31 October 1989, Mr Jack Perel recounts the telephone conversation he had on 15 June 1989 with a Mr Pogir in which the latter questioned him about his association with Mediscor. Mr Perel goes on to say that "Mr Pogir warned me to be very carefuly about my actions as many secret meetings had been held regarding MEDISCOR and that agendas that I know nothing about had been prepared and discussed".

32. In view of Mr Pogir's alleged affiliation with (a) The South African Pharmacy Council (b) the PSSA (Southern Transvaal Branch), (c) Medikredit (Pty) Ltd, (d) the National Association of Retail Pharmacists, and (e) SAPDC Wholesalers, Mr Perel concluded that these bodies were involved in the meetings to which Mr Pogir had referred.

33. Mr Perel further attested that he felt intimidated by Mr Pogir's attitude and threatened by his statements, especially since he (Pogir) had said that if a retail pharmacy owed his wholesale business (SAPDC Wholesalers) R1 million (incidentally the amount owed by Perel's business to SAPDC Wholesalers at the time) and then purchased goods from an alternative source because it received a larger discount from that source, SAPDC Wholesalers would cancel the bond registered over that chemist and immediately demand repayment of the R1 million.

34. Following these preceived veiled threats, Mr Perel and his partner obtained a loan from a financial institution and settled their entire capital account plus interest with SAPDC Wholesalers (whose name was subsequently changed to PDC Trading Ltd).

35. Furthermore, in a letter dated 9 August 1989 from attorneys Edward Nathan & Friedland Inc. of Johannesburg, addressed to MDS Mediscor CC, it is expressly conceded in paragraph 2.1 thereof that Mr Pogir was asked "on a number of occasions to procure that PDC withholds supplies from a certain pharmacist in Rustenburg", and that he was advised "that two of the major wholesalers had agreed to withhold supplies from the pharmacist in question" on accunt of the pharmacist's association with Mediscor.

36. When the Chairman of the Board discussed the matter telephonically with them, Mr S. W. Kock, erstwhile president of the PSSA, Mr P. R. van der Merwe, executive director of the Society, Mr G. F. Michael, past chairman of Medikredit (Pty) Ltd, and Mr R. Pogir emphatically denied that they had been involved in any boycott actions against Mediscor. Messrs Kock, Van der Merwe and Michael further contended that advancing the interests of the Medikredit scheme and alerting pharmacists to perceived shortcomings in Mediscor's approach were legitimate activities which did not contravene the rules governing competition.

37. Without questioning their bona fides, it would appear that there are still sufficient grounds for accepting that *prima facie* certain persons were involved in attempts to coerce or discourage other parties from doing business with Mediscor.

38. Notwithstanding the court's decision in *Tothill v Gordon and Others,*[3] it would appear that a boycott action, which may be described as "an organised effort to withdraw and induce others to withdraw from business relations with another", would today under South African common law be regarded as a form of unlawful competition.[4]

39. Boycotts are, of course, outlawed in a number of legal systems in terms of the rules governing competition. Article 85 (1) of the Treaty of Rome, for example, prohibits within the European Community all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between member states and which have as their object or effect the prevention, restriction or distortion of competition within the common market.

40. In *Re Groupement des Fabricants de Papiers Peints de Belgique*[5] the Commission stated: "the collective boycott is traditionally considered to be one of the most serious infringements of the rules of competition, since it is aimed at eliminating a troublesome competitor. Such a boycott constitutes an intentional infringement of Article 85 (1)."[6]

41. In the United States of America, section 1 of the Sherman Act [7] states that every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several states, or with foreign nations, is illegal.

42. Despite the all-embracing nature of the terminology that is used, the Supreme Court has long held that the said section applies only to behaviour that unreasonably restrains competition.[8] Two tests were accordingly developed to categorize the behaviour that was challenged, namely the "per se" and "rule of reason" tests. In essence they amount to this: Because of their pernicious effect on competition and lack of any redeeming virtue certain agreements or practices are conclusively presumed to be unreasonable and, therefore, illegal without elaborate enquiry as to the precise harm they have caused or business excuse for their use.[9] Behaviour that is not classified as per se illegal is judged under the rule of reason. This entails a thorough inquiry into the actual competitive effects of the defendant's actions, and includes due consideration of any justification the defendant may advance. When significant anticompetitive behaviour is not offset by any positive effect on competition or other social benefit, the behaviour will be found to violate the Sherman Act.[10]

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43. In *Eastern States Retail Lumber Dealers' Association v United States*[11] the Supreme Court held that an agreement among competitors not to deal with certain persons acts as a clog on the market and hinders competition. Since then the per se standard has been applied to concerted refusals to deal.[12] It has been suggested[13] that following the Supreme Court decision in *Northwest Wholesale Stationery Inc v Pacific Stationery and Printing Co.*[14] group boycotts may now require to be shown to have substantial anticompetitive consequences to be unlawful per se.

44. Section 45D (1) of the Australian Trade Practices Act, 1974, prohibits concerted conduct which hinders or prevents the supply of goods by a third person (the "supplier") to a fourth party (ie the "target" of the conduct). Either the supplier or the target must be a corporation, and the conduct must have both the purpose and effect of causing substantial loss or damage, or a substantial lessening of competition. The prohibition of so-called "secondary boycotts" has frequently been invoked in situations where employees refuse to handle all their employer's goods which were intended for a third in order to affect this third party.[15]

45. Section 45E of the Act, which was inserted in 1980, prohibits a contract, arrangement or understanding between a first person and another person to prevent or hinder the supply of goods or services to a third person, or their acquisition from a third person.[16]

46. Turning to the situation *in casu,* it must, firstly, be mentioned that at the time the investigation was initiated "restrictive practice" was defined as follows in section 1 of the Maintenance and Promotion of Competition Act, 1979:

"(a) any agreement, arrangement or understanding, whether legally enforceable or not, between two or more persons; or

(b) any business practice or method of trading, including any method of fixing prices, whether by the supplier of any commodity or otherwise; or

(c) any act or omission on the part of any person, whether acting independently or in concert with any person; or

(d) any situation arising out of the activities of any person or class or group of persons,

which, by directly or indirectly restricting competition, has or is likely to have the effect of—

(i) restricting the production or distribution of any commodity; or

(ii) limiting the facilities available for the production or distribution of any commodity; or

(iii) enhancing or maintaining the price of or any other consideration for any commodity; or

(iv) preventing the production or distribution of any commodity by the most efficient and economical means; or

(v) preventing or retarding the development or introduction of technical improvements or the expansion of existing markets or the opening up of new markets; or

(vii) preventing or retarding the adjustment of any profession or branch of trade or industry to changing circumstances.".

47. This definition may conveniently be divided into cause and effect components. It is only if the conduct listed in (a) to (d) restricts competition directly or indirectly and has, or is likely to have, one or more of the effects mentioned in (i) to (vii) that one has to do with a restrictive practice.

48. The Maintenance and Promotion of Competition Amendment Act, No. 88 of 1990, which came into force on 4 July 1990, amends the aforementioned definition of restrictive practice by the substitution for the words following upon paragraph (d) and preceding paragraph (i) of the words "which restricts competition directly or indirectly by having or being likely to have the effect of—".

49. There is, in effect, a rebuttable presumption that restrictive practices are against the public interest. This can be gleaned from the wording of section 12 (2) and 14 (1) of the Act which determine that action must be taken to remedy the situation if the Board and the Minister are not satisfied that a restrictive practice is justified in the public interest.

50. In determining what is in the public interest the Board have accepted that it is a concept which embraces, *inter alia,* the interests of the participants in the relevant industry and the general public (specifically as consumers), as well as the board national interest. These respective interests will not necessarily coincide, in which case they each have to be identified and weighted according to their relative importance and then balanced.

51. The Board have no hesitation in finding that a so-called boycott action, ie an agreement, arrangement or understanding by certain persons to withdraw and to induce others to withdraw from business relations with any other person which has the object or effect of restricting competition, constitutes a restrictive practice in terms of both the old and the present definition.

52. No evidence was forthcoming which suggested that such boycott actions served the public interest. Indeed, it would have been very surprising if any attempt had been made to justify a particularly pernicious species of restrictive practice.

53. A boycott action can be pursued on a continuous or one-off basis. *In casu* the matter is complicated by the distinction that can be made between (a) an organised effort by certain wholesalers and retail pharmacies, and office bearers of the PSSA and Medikredit, which is aimed specifically at restricting competition by inducing other persons not to do business with Mediscor, and (b) the actions of the aforementioned wholesalers, retail pharmacies and office bearers which were allegedly undertaken merely to inform interested parties of the relative merits and implications of participation in the Medikredit and Mediscor schemes. The first-mentioned type of action would constitute a restrictive practice, the latter would not.

54. It is important to bear in mind that a prerequisite for any course of action the Board may recommend to the Minister is that they must in terms of section 12 of the Act be of the opinion that (a) a restrictive practice exists at the time the recommendation is made, or (b) that such a practice was in existence at any time after the date on which notice of the investigation was given, or (c) a restrictive practice relating to the investigation may come into existence.

55. In order to obviate any misunderstanding in this regard it must be mentioned that section 12 (2) (a) of the Act states that the Board may recommend to the Minister that action be taken if the Board ". . . is of the opinion that a restrictive practive . . . exists or was in existence or may come into existence at any time after the date of the notice (of the investigation) . . .". In issue is whether these words could be interpreted to mean that (a) action could be taken where a particular restrictive practice that had been investigated was found to have existed before the date on which notice of the investigation had been given, even though the practice may have been discontinued by the time such notice was given, or (b) no recommendation could be made in respect of restrictive practices which, although they may have existed at some stage before notice of the investigation was given and, indeed, may even have prompted the investigation, were no longer being pursued on the date such notice was given. The Afrikaans text of the relevant section is, perhaps, clearer and supports the latter interpretation. It states that the Board can recommend that action be taken where they ". . . van mening is dat 'n beperkende praktyk . . . bestaan of te eniger tyd na die datum van kennisgewing (van die ondersoek) bestaan het of mag ontstaan . . .".

56. As mentioned in paragraph 30, the alleged boycott actions against Mediscor are said to have occurred between 15 March 1989 and about the end of August 1989, ie before notice of the Board's investigation was given in the *Gazette*. For the purposes of this report, the Board are primarily concerned with whether boycott actions are taking place at the moment or took place at any time after 27 October 1989. On the available evidence the Board are not in a position to state categorically that a boycott action against Mediscor by certain wholesalers of pharmaceutical products and/or retain pharmacies either persists at the moment or existed at any time after notice of the investigation had been given. However, on the basis of the unsolicited admission in Edward Nathan & Friedland Inc.'s letter of 9 August 1989 to the effect that at least one major wholesaler had been asked to withhold supplies to a pharmacist on account of the pharmacist's association with Mediscor and other evidence, the Board are of the opinion that future boycott actions against Mediscor and/or pharmacies associated with it cannot be ruled out and should be forestalled. As already mentioned, the Board are not satisfied that such boycott actions would be justified in the public interest.

Diverse provisions in notarial general covering bonds between wholesalers and retail pharmacies

57. In paragraph 13 it was mentioned that pharmaceutical wholesalers play an important role in the establishment of retail pharmacies. As quid pro quo for the substantial loans which they advance to pharmacies the wholesalers are able to secure numerous outlets for the products they distribute. This is done in terms of the notarial bond covering the loan which also, as one would expect, contains a number of other provisions relating to the repayment of the loan.

58. Copies of the notarial bonds which apparently are usually utilised by PDC (Trading) Ltd and SA Druggists Ltd were made available to the Board. Following an analysis of the bonds of these two companies undertaken by Mediscor, the corporation has suggested that they are "draconian". A brief reference will be made to those provisions which the corporation regards as being most oppressive.

59. It is, firstly, pointed out that the indebtedness of the pharmacist to a wholesaler which is covered by the notarial bond includes indebtedness arising from any cause whatsoever [paragraph B (iii) (pages 4–5) and paragraph (b) (page 3) PDC bond, and clauses 2.1.2 and 3.1 SA Druggist bond], as well as from any claim against the pharmacist ceded to the wholesaler by any other person [clause 2.1.2 SA Druggist bond]. To secure the aforesaid indebtedness the wholesaler, inter alia, (a) requires the pharmacist to bind all his present and future movable property and effects [last paragraph page 6, first paragraph page 7 PDC bond, and clauses 4.1 and 4.2 SA Druggists bond], and (b) binds the owner's spouse or, if the owner is a company or a close corporation, the owner's directors or members (as the case may be) as well as their spouses as sureties and co-principal debtors [clause 31 (e) PDC bond].

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60. Mediscor further contend that the wholesalers unduly limit and interfere with an owner's freedom to trade and cite the following examples in support of their view:

(a) The wholesaler may, in his sole discretion, appoint the chartered accountants by whom the owner's books are to be audited [clause 24 PDC bond, and clause 8 SA Druggists bond].

(b) The owner shall not retain in his service any assistant or employee of whom the wholesaler may disapprove and "shall dismiss . . . any employee to whom exception or objection may be taken" by the wholesaler [clause 21 PDC bond].

(c) The wholesaler may prescribe which banking account the owner shall use for the conduct of his business and may require the signing powers in respect of that banking account to be varied to enable a nominee of the wholesaler and someone duly authorised by the owner jointly to exercise such signing power [clauses 21 and 32 (c) PDC bond].

(d) The owner may not without the written consent of the wholesaler, *inter alia:*

(i) bind himself as surety for any other person;

(ii) speculate in "funds" or shares;

(iii) take part in any "gambling transactions";

(iv) hold shares or a member's interest in any other company or close corporation [clause 20 PDC bond, and clause 10 SA Druggists bond].

(e) In terms of one bond [clause 30 PDC bond] the total drawings of the mortgagor and/or his spouse, or in the case of a company or close corporation, the total drawings of the directors or members (as the case may be) and/or their respective spouses, is limited to R10 000 (presumably per annum, ie in 1986). Another [clause 20 SA Druggists bond] states that the maximum drawings of the owner, etc "shall be determined between the wholesaler and owner".

61. Mediscor also expressed concern regarding the obligation that is imposed upon an owner to purchase (i) not less than 50 per cent in value of his "pharmaceutical products" for resale from or through the wholesaler, and (ii) the balance of all his requirements from or through the wholesaler [clause 29 (a) (i) and (ii) PDC bond, and clause 23.1.1 and 23.1.2 SA Druggists bond]. They argue that these provisions contravene paragraph 2 (b) of Government Notice No. R. 2844 in *Gazette* No. 7974 of 31 December 1981, which declares unlawful any agreement, arrangement, understanding, business practice or method of trading or any act or situation whereby—

> "a retail pharmacist is obliged to purchase his requirements of pharmaceutical products for resale from a particular wholesale supplier of pharmaceutical products, except in the case of a wholesale supplier that renders financial assistance to a retail pharmacist, in which case the said wholesale supplier may require that retail pharmacist to purchase not more than 50 per cent in value of the retail pharmacist's requirements of pharmaceutical products for resale from such wholesale supplier during the period in which such financial assistance is rendered".

Following a separate complaint in this regard, the Board under cover of a letter dated 14 August 1989 referred the matter to the Commanding Officer of the Commerical Crime Unit of the South African Police in Pretoria. The Board were subsequently informed that the relevant officials had declined to prosecute the wholesale supplier concerned. As is usual is such cases, no reasons for this decision were provided.

62. According to Mediscor the wholesaler's special rights and powers in case of breach of contract by a pharmacist warranted closer scrutiny. It was pointed out that the wholesaler is given far-reaching rights and powers should the owner, *inter alia,* (a) breach any of the provisions of the bond irrespective of its relative importance [clause 27 PDC bond and clause 13.3 SA Druggists bond], or (b) fail to comply with any of the numerous accessory duties and prohibitions to which he is subjected [clause 27 PDC bond]. In such an eventuality the wholesaler may immediately (i) take possession of the business and assets of the owner, (ii) in his sole discretion conduct the business of the owner at the latter's cost and risk, (iii) dispose of the owner's business either as a going concern or piecemeal, or (iv) take over the owner's business or any of his assets at a valuation placed on it by a chartered accountant. In addition, the owner is said to waive any claim which he may have against the wholesaler arising out of or incidental to the wholesaler taking possession of and conducting the owner's business as aforesaid.

Referring to a dictum by Flemming, J., in *SAPDC (Trading) Ltd v Immelman,* [17] Mediscor suggest that the above arrangements presumably mean that if the wholesaler or his nominee should take possession of the business and then negligently dispense the wrong medicine to a customer, the owner would still be liable to compensate the customer for any injury or loss which the latter may suffer as a consequence thereof.

63. Clause 22 of the SA Druggists bond stipulates that in the event of the wholesaler at any time availing itself of its rights under the bond and obtaining possession of the business, then the owner pharmacist undertakes that, for a period of three years reckoned from the date when the wholesaler shall have obtained such possesion as aforesaid, the owner or his/its directors and sureties will not either alone or in association with any other persons or company, and either directly or indirectly, exercise or carry on the business of a chemist and druggist within a radius of five kilometres of the place where the business was being conducted at the stage when the wholesaler obtained possession as aforesaid.

64. In response to a query by the Board, SA Druggists Ltd accepted that clause 22 could, perhaps, be construed as a restraint of trade provision but suggested in effect that it was a matter that should be left to the South African courts.

65. It is obvious that a given set of facts could give rise to either an action before the civil courts or an investigation by the Competition Board in terms of the Maintenance and Promotion of Competition Act, 1979, or both. Where both a court of law and the Board have jurisdiction in respect of a particular matter it could happen that by virtue of their respective disparate mandates and perspectives they could take diametrically opposed positions leading to different results. More particularly, this could happen in the case of restraint of trade clauses in contracts.

Consider, for example, the decision of the Appeal Court in *Magna Alloys and Research (SA) Ltd v Ellis.*[18] In that case the Court held, inter alia, (a) that there was nothing in our common law principles which determined that a contractual provision which restricted an individual's freedom to do business was unlawful or unenforceable, (b) that it was in the public interest that contracts freely entered into should be enforced, and (c) when someone alleged that he is not bound by a restrictive provision in a contract the onus is on him to show that the specific provision was against the public interest.[19]

66. The approach of the Competition Board to restraint of trade clauses would perforce differ from that of the Appeal Court. In particular, since a restraint of clause would in the usual course of events constitute a "restrictive practice" as defined in section 1 of the Act, it would be incumbent on any party wishing to uphold such a clause to satisfy the Board (and the Minister) that it would be in the public interest to do so.

67. *In casu* the Board are not required to make any specific finding or pronouncement on restraint of trade clauses.

68. Wholesalers do not regard the provisions in the notarial bonds they have entered into with pharmacies to be "draconian" or even unduly onerous. To the contrary, they contend that the provisions are in accordance with the dictates of sound business practice and are merely intended to safeguard the repayment of a substantial amount of money. Moreover, they submit it would not be difficult for a pharmacist who was unhappy with the terms of a notarial bond or the way in which they were applied by the wholesaler to find another wholesaler or a financial institution to finance his business.

69. In regard to the charges and counterclaims that have been noted, it must be pointed out that an agreement may be one-sided or unfair without being anticompetitive. Clearly, only conduct that constitutes a restrictive practice as defined in the Act falls within the purview of the powers of the Board or the Minister.

70. In the opinion of the Board, with the possible exception of the restraint of trade clause, none of the aforementioned clauses *per se* can be construed as a restrictive practice. However, the Board are not convinced that it is quite as easy for a pharmacist to obtain alternative sources to finance his business as some wholesalers suggest is the case.

71. Moreover, they believe that it is possible for a wholesaler to utilise the influence which a notarial bond enables it to exercise over a pharmacy business to pressurize the latter to act in a particular (anticompetitive) manner. It is, for example, conceivable that a wholesaler, realising that its own profit margins could be adversely affected if a number of its "bonded pharmacists", *inter alia,* purchased substantially less from the wholesaler or, indeed, had to close because of increased competition from pharmacists who participate in the Mediscor scheme, might, as a form of repraisal, try to persuade others not to do business with Mediscor or pharmacists who participate in that corporation's scheme. It is not necessary *in casu* to decide whether this in fact is what transpired.

Miscellaneous other complaints by Mediscor

72. The balance of Mediscor's complaints relate to (a) the alleged unlawful advertising of the PSSA's Medikredit scheme, (b) the alleged abuse of their position by certain office bearers of the PSSA and (c) the alleged misuse of the temporary exemption from the provisions of Government Notice No. 801 of 2 May 1986 granted to Medikredit by the Minister.

73. An alleged misuse of a temporary exemption will, in the usual course of events, be afforded due consideration where a decision is to be taken on the merits of an application for a further period of exemption, or where the premature termination of any exemption is contemplated. Since the necessity of a further period of exemption for Medikredit has fallen away, it will not serve any constructive purpose to evaluate and pronounce on their alleged misuse of the exemption they enjoyed in this report.

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74. The other allegations relate to matters that, save only for the observation that it is conceivable that office bearers of the PSSA could abuse their position by attempting to influence the wholesalers of pharmaceutical products and retail pharmacies to act in an anticompetitive manner, fall outside the purview of the Board's powers.

Collective refusal to give discount

75. In Gresham Industries Ltd's Annual Report 1990, the group chairman, Mr G. M. Utian, points to "the web of complex and wide-ranging problems besetting the pharmaceutical industry". He goes on to state that pharmacists are being propelled by medical schemes into the role of a discounter which, he claims, is not only ill-suited to their professionalism and training, but which is commercially suicidal and for which they are ill-equipped. He also questions the medical aid system and alleges the administrators of medical schemes, in their pursuit of profit, exacerbate the difficulties which prevail by, *inter alia,* making unrealistic demands for discounts on retail pharmacies. Excerpts from this Annual Report were quoted verbatim in the September 1990 Newsletter of the Pretoria Branch of the PSSA which highlighted the view that the solution to the prevailing problems does not lie in cutting prices to medical schemes.

76. The Board do not agree that the majority of retail pharmacists are ill-equipped to meet the challenges (or, to utilise the opportunities?) presented by medical schemes seeking improved discounts on prescription medicine. However, assuming this is the case, the blame for it must be laid at the door of those persons and organisations who or which for too long have short-sightedly sought to protect narrow sectional interest by way of regulatory measures calculated to provide, or having the effect of providing, immunity for the profession from the invigorating dynamism of a market driven economy.

77. Since effective competition, which obviously includes competition on a price basis, would threaten the profitability and viability of businesses operating in an overtraded market, it is something that is viewed with apprehension by certain persons in prominent positions in the pharmacy profession.

78. The abovementioned remarks of Mr Utian reveal that wholesalers too are acutely aware of the financial risks they will run should their "bonded pharmacists" progressively lose market share in the inelastic prescription medicine market.

79. For the purposes of this report the crucial issue is not whether, from the one or other vested interest perspective, it is detrimental for retail pharmacies to give discounts to the members of medical schemes, but whether an agreement, arrangement or understanding between pharmacists not to do so consitutes a restrictive practice.

80. Following an investigation by the Board, the Minister outlawed horizontal price collusion in terms of Government Notice No. 801 in *Government Gazette* No. 10211 of 2 May 1986. That Notice defines horizontal price collusion as any agreement, arrangement or understanding between or among two or more suppliers of any commodity, or of substantially similar commodities to (i) charge a particular, or a particular minimum price, or (ii) use in any way, any price as a recommended price or as a guide. It includes the use of an association or of a company, close corporation or other juristic person in which such suppliers have an interest, to effect the horizontal price collusion in any way.

81. Horizontal collusion on conditions of supply is also prohibited. It is defined as any agreement, arrangement or understanding between or among two or more suppliers of any commodity, or of substantially similar commodities, to supply, or to tender to supply in response to a call or request for tenders, such commodity or commodities (i) only on any particular condition or term, or (ii) using any condition or term as a recommended condition or term as a guide. It includes the use of an association or of a company, close corporation or other juristic person in which such suppliers have an interest, to effect the horizontal collusion or conditions of supply in any way.

82. The Board do not know whether the scheme referred to in paragraph 10 has come to fruition. They also do not wish to speculate whether a scheme of that nature would contravene Government Notice No. 801. If it did, that would be a matter for the South African Police.

83. Two basic requirements for effective competition are that no restraints should be placed upon price flexibility and that there should be independent rivalry in all dimensions of the price-product-service packages offered to consumers and customers.[20] More specifically, the Board are of the opinion that (assuming it does not contravene Government Notice No. 801) an agreement, arrangement or understanding between or among pharmacists operating in the same geographical area in terms of which they undertake, be it through their participation in a particular scheme or by the use of other appropriate mechanisms, to place restraints upon price flexibility by not giving any discounts on the price of medicines sold on prescription to the members of any medical scheme will both (a) enhance or maintain the price of the commodity in question, and (b) directly or indirectly restrict competition between the participants. As such the conduct constitutes a "restrictive practice" as defined in the Act.

84. The Board have no evidence which on balance would support a finding that the aforesaid restrictive practice serves the public interest.

SYNOPSIS OF FINDINGS AND RECOMMENDATIONS

85. The Board have found that—

(1) boycott actions constitute a restrictive practice;

(2) boycott actions could in future be instituted against MDS Mediscor CC and/or pharmacies associated with it; and

(3) an agreement, arrangement or understanding between or involving pharmacists operating in the same geographical area in terms of which they undertake not to give any discounts on the price of medicine sold on prescription to the members of any medical scheme, constitutes a restrictive practice.

86. The Board are not satisfied that the aforesaid restrictive practices are justified in the public interest.

87. The Board accordingly recommend that the Minister, acting in terms of section 14 of the Act, should declare unlawful—

(a) any agreement, arrangement or understanding between or involving any wholesaler of pharmaceutical products, and/or retail pharmacies, and/or directors or office bearers of Medikredit (Pty) Ltd, and/or office bearers of the Pharmaceutical Society of South Africa, and/or any other person, that may come into existence and which impinges upon any person's freedom of choice to do business with Mediscor, or with any undertaking on account of such undertaking's participation in Mediscor's medicine distribution scheme; and

(b) any agreement, arrangement or understanding between or involving pharmacists operating in the same geographical area in terms of which they undertake, be it through their participation in a particular scheme or by the use of any other appropriate mechanism, not to give discounts on the price of medicines sold on prescription to the members of any medical scheme.

REFERENCES

1. See, for example, Board of Trade and Industries Report No. 985 (M) of 19 December 1962: *Investigation into Monopolistic Conditions in the Supply and Distribution of Pharmaceutical Products, Including Beauty Preparations, in the Republic of South Africa;* Board of Trade and Industries Report No. 1884 (M) of 14 November 1978: *Investigation into Monopolistic Conditions in the Supply and Distribution of Pharmaceutical Products in the Republic of South Africa;* and Competition Board Memorandum of August 1987: *Investigation into the Dispensing of Prescription Medicine.*
2. Government Notice No. R. 297 *Government Gazette* No. 9071 of 24 February 1984.
3. 1930 WLD 99.
4. Van Heerden & Neethling *Onregmatige Mededinging* (1983) 196.
5. 1974 2 CMLR 589.
6. For further examples of how the collective boycott is dealt with in the EEC see Raybould *Comparitive Law of Monopolies* (1988) 212 *et seq.*
7. 15 USCA ss 1–11.
8. *Standard Oil Co. of New Jersey v United States* 356 US 1, 5; *Chicago Board of Trade v United States* 246 US 231, 238.
9. *Northern Pacific Railway v United States* 356 US 1; *United States v Socony Vacuum Oil Co.*150 US 223.
10. *Chicago Board of Trade v United States supra;* Metzer, Meller *et al Business Law and the Regulatory Environment* 6 ed. (1986) 1140.
11. 234 US 600.
12. See eg *Fashion Originators' Guild of America v FTC* 312 US 457; *Klor's Inc v Broadway-Hale Stores Inc* 359 US 207; *FMC v Svenska Amerika Linien* 390 US 238, 250.
13. Raybould 42.
14. 472 US 284, 86 L ed. 2d 202.
15. Healey *Australian Trade Practices Law* (1988) 122.
16. Latimer *Australian Business Law* (1988) 518.
17. 1989 3 SA 506 (W) 511 C–E.
18. 1984 4 SA 874 (A).
19. At 897F–898D.
20. *Re Queensland Co-operative Milling Association* (1976) ATPR 40–012 at 17–245; *Vision Hire/Sanyo* (1984) 4 NZAR 288; *TPC v Ansett Transport Industries (Operations) (Pty) Ltd* (1978) ATPR 40–113.

A director, who asked not to be named, confirmed that he had been questioned by police "over the matters reported on by Business Day" in February.

A police spokesman confirmed the investigation, but declined to say what it concerned.

Pharmacist exodus critical

(96) Own Correspondent ET 2/8/91

JOHANNESBURG. — The exodus of pharmacists from public hospitals has reached a point where the safety of patients can no longer be guaranteed, the SA Association of Hospital and Institutional Pharmacists has warned.

The association's president, Mr Tienie Britz, said yesterday that poor salaries were the main reason for the exodus and an increase of about 25% was probably needed to keep pharmacists. They had not had an occupational increase since 1985.

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Pharmacists' exodus 'may affect safety of patients'

THE exodus of pharmacists from public hospitals has reached a point where the safety of patients can no longer be guaranteed, the SA Association of Hospital and Institutional Pharmacists (SAHIP) has warned.

SAHIP president Tienie Britz said yesterday the association was concerned at the deteriorating control of medicines in hospitals caused by the increasing numbers of pharmacists leaving state hospitals.

He said poor salaries were the main reason for the exodus and an increase of about 25% was probably needed to keep pharmacists. They had not received an occupational increase since 1985 and this year had to be content with the 6% increase awarded to all public hospital staff.

Britz said pharmacists working in private hospitals earned between R800 and R1 200 a month more than their public sector counterparts.

SAHIP vice-president Sue Putter said the association expected the losses to increase and feared that it could lead to "a total breakdown" in

TANIA LEVY

hospitals' pharmaceutical services.

She said about 16% of pharmaceutical posts in Transvaal's hospitals were vacant last year and about 20% of those in the Free State. In Natal the figure was about 11%.

She believed the figures were much higher by now. At least half the starting posts were unfilled at present. Senior people were resigning.

Natal MEC for Health Services Peter Miller said he would raise pharmacists' "deep discontent" at a meeting with National Health Minister Rina Venter on August 12. Representation would also be made to the Minister of Administration.

He denied pharmacists were leaving hospitals "in droves" but said action had to be taken on salaries.

Transvaal Provincial Health Services spokesman Jan van Wyk said vacant posts had arisen over the years. He said at most times 80% to 90% of posts in Transvaal hospitals were filled.

Death of ANC member: man in court

CAPE TOWN — A 31-year-old man appeared briefly in the Wynberg Magistrate's Court in Cape Town yesterday in connection with the death of ANC worker Michael Mapongwana last month.

Eric Mahlutshana, of R432 Khayelitsha, was arrested in Crossroads on Wednesday. A formal bail application is to be heard on Monday.

Western Cape Civic Association chairman Mapongwana, of Khayelitsha, died when balaclava-clad gunmen opened fire on a taxi in which he was travelling in Philippi on July 8.

No charges were put to Mahlutshana. The case was postponed for further investigation and for the bail application. — Sapa.

Protest against 'white' school

TANIA LEVY

MAYFAIR residents will hold a picket on Monday outside a local whites-only nursery school facing closure at the end of the year.

A spokesman for the parents, Ahmed Suliman, said the Magrietjie Nursery School is currently only 30% full because it operates on a "whites-only" basis.

"Although the school exists in an area which has effectively been non-racial for the past few years, many local children are turned away for being the 'wrong' colour," he said.

A TED spokesman yesterday said the school could accommodate 120 pupils and currently had an enrolment of 40.

He confirmed that closure had been recommended by the school management committee, which was under consideration. Other options were also being considered.

Suliman said there was a dire need for education facilities in the area but the school restricted its admission to white children, many of whom did not live in Mayfair and were bused in.

Practices at the school contradicted recent statements by government Ministers regarding under-utilised schools and the need to avoid bussing in pupils.

Education Ministers recently said red tape would be removed to allow empty white schools to be used by pupils of other races.

Kroks deny plan to sell Twins stake

B1 Day 22/8/91

WILLIAM GILFILLAN

THE Krok family has denied it is considering selling its 44% interest in listed pharmaceutical group Twins.

Speculation that there would be a sale was prompted by Abe Krok's replacement as chairman of Twins last month by Premier CE Peter Wrighton.

Market rumours were that the Premier group, which had the controlling interest in Twins, wanted to buy out the Kroks' interests because of a "difference in opinion" between the two largest shareholders.

Premier and the Krok family hold 90% of the shares in Twins through Twin Propan Holdings, a private company controlled by Premier.

Krok says the family is happy to hold on to its interest for the moment, although "most prudent businessmen do diversify their portfolios".

Wrighton did not rule out the possibility of Premier increasing its stake in Twins although he said this involved "the private relationship between the principle shareholders".

One industry source said the Krok family was unlikely to reduce its holding now as it believed the share was undervalued.

At 300c a share, Twins is trading at a premium of 36% to its net asset value of 220c a share.

As most of the remaining 10% interest in Twins is held by management, share tradeability is tight but this could improve.

Twins MD Phil Nortier had been given an undertaking "from large shareholders" that they would release shares onto the market "if budgets are achieved".

Growth

Nortier did point out though that no guarantee had been given by the major shareholders that they would release scrip to the market. Nortier has predicted real growth in earnings for this year. This might set the scene for improved tradeability as soon as 1992.

Twins' share price has more than doubled to 300c a share from 140c in January; this, Frankel Kruger analyst Teigue Payne says, reflects future prospects.

Nortier, appointed last October, has rationalised three of the four divisions through by selling off underperforming assets and making changes to senior management. He said trading results in the first quarter were above expectations.

Hospital pharmacies 'in chaos'

Star 29/8/91

Pretoria Correspondent

Pharmaceutical services at State hospitals are on the brink of collapse as pharmacists resign in droves, with those left behind battling to cope with the workload.

Chronic staff shortages have led to a chaotic situation in which some pharmacists are dispensing up to 120 items to out-patients every hour — compared to the norm of seven in the private sector.

Pressure of work has resulted in falling standards and an "overwhelming" potential for the theft of medicines and poor control of medicine supplies at State hospitals.

This was the gist of a memorandum submitted yesterday to the South African Pharmacy Council by the South African Association of Hospital and Institutional Pharmacists.

The association said it was extremely concerned about deteriorating control of State-supplied medicines and had turned to the council as a "last resort".

It had exhausted all other official channels, including a meeting last October with Dr Rina Venter, Minister of National Health and Population Development.

The association said the crisis in pharmaceutical services at State hospitals had arisen because of a shortage of hospital pharmacists.

While the State was the single largest purchaser of medicine and handled about 80 percent of all medicine supplies, it employed fewer than 12 percent of registered pharmacists.

As hospital pharmacists had to dispense medicines to millions of patients a year, they were being forced to neglect stock control and the counselling of patients.

Ethical and legal requirements were being ignored and general assistants were carrying out pharmacists' functions.

The association did not believe State hospitals were providing a cost-effective pharmaceutical service, nor that the present situation was in the best interests of the public.

Morale among pharmacists was extremely low and turnover among staff was high, due to poor salaries and impossible workloads.

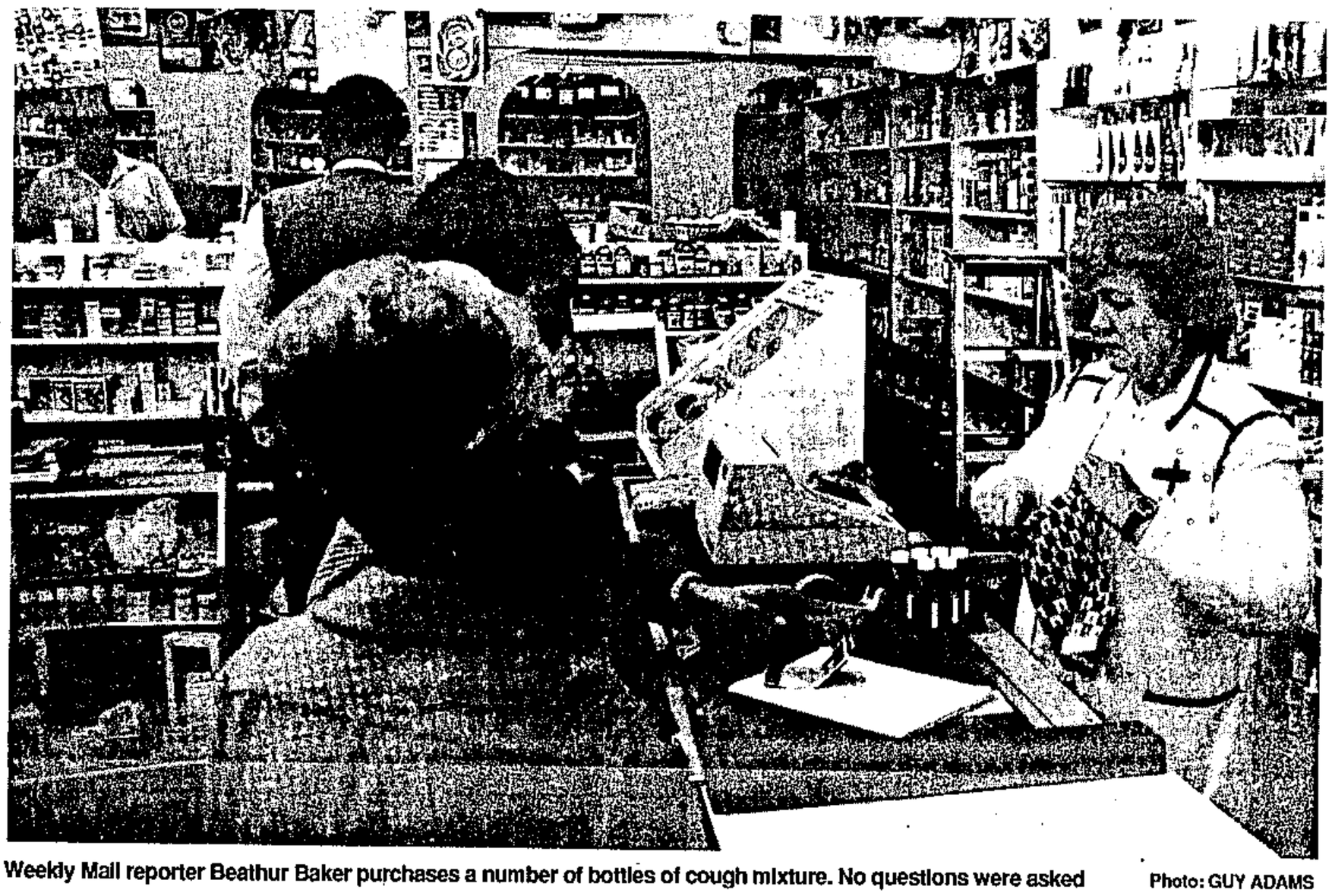
A Human Sciences Research Council study last year had shown male pharmacists in the public sector earned an average of 25 percent less than other public sector graduates.

In many cases, those resigning had five to seven years' experience, while many pharmacists who remained were young and inexperienced, or had retired from retail pharmacy.

The Pharmacy Council instructed its executive committee to take urgent steps to resolve the crisis and to report on its progress by November.

Coughing up for a cheap, easy thrill

It looks like an innocent cough remedy, but it offers a 'high' as potent as that of hard drugs. And it is available over the counter at pharmacies that ignore the law to make a profit. In a special Weekly Mail investigation, **BEATHUR BAKER** *exposes an addiction that crosses all social boundaries*



Weekly Mail reporter Beathur Baker purchases a number of bottles of cough mixture. No questions were asked Photo: GUY ADAMS

TWO highly addictive brands of cough mixture are being widely abused as a substitute for expensive, hard drugs. The trend is tacitly encouraged by pharmacies which sell large amounts of the substances over the counter to anyone who has the money.

As a measure of the widespread nature of the abuse, *The Weekly Mail* this week pinpointed three Hillbrow pharmacies at the heart of the trade.

The chemists supply both marketed and "no-name" brands of the cough mixture to hoboes, prostitutes, junkies and teenagers — some of them affluent children out for a cheap thrill.

Two cough remedies are the focus of addicts: Phensedyl and Lenazine Forte Linctus. Both are schedule two drugs — available over the counter without prescription — but they contain a considerable amount of the habit-forming drug codeine phosphate.

Just more than half an hour after drinking a bottle, an addict achieves a typical drugs "high". It is cheaper, involves no legal risk and can be bought over the counter in large quantities without restriction — if the user knows which chemists to approach.

In terms of the Medicine and Related Substances Act, all purchases must be reflected on a register, with the name and address of the customer. However, this requirement is largely ignored. It also appears that most pharmacy staff are fully aware of the purpose for which the cough mixture is usually purchased.

Phensedyl comes in 100ml bottles, while Lenazine is packed in large 200ml and regular 100ml bottles. The smaller Lenazine bottles sell at R7,50, but there appears to be a standard rate set for the larger bottles and for Phensedyl, which both cost exactly R10, including tax.

The Weekly Mail effortlessly bought 11 large and nine small bottles of these cough mixtures from three Hillbrow pharmacies this week.

●At the 24-hour Express pharmacy and medicine depot in Wolmarans Street, Hillbrow, our reporter asked for seven large bottles of Lenazine. The saleswoman simply packed the order on to the counter, took the money, rang it up and put the bottles into a bag.

The mixture appeared to have been bought in bulk and was sold in clear plastic bottles with the pharmacy's own typed labels. The label carried only the pharmacy's name, the name of the mixture and the recommended dosage — two tablespoons four times a day.

No safety warning on the use of the mixture's addictive contents was given, as required by law; no prescription was requested for the large amount purchased; and no questions were asked.

As the reporter was about to leave, the saleswoman spotted *The Weekly Mail* photographer shooting the transaction from a distance. She suddenly appeared alarmed and held back the parcel. She hurriedly brought a clipboard out from under the counter and requested the reporter's name and address. It was the first entry on the register.

Two days later a second reporter went to the pharmacy and bought four large bottles of Lenazine. This time an entirely new register was produced and the salesman asked the reporter his name and address. He gave an obvious pseudonym — John Smith — and was not questioned any further.

●At Hillbrow Pharmacy Extension, in Pretoria street, a saleswoman sold us four bottles of pre-packed Phensedyl. Before handing them over, she removed the bottles from their boxes and packed them in a plastic bag, without the information sheet that is packaged with the medicine. No questions were asked, no register produced.

●Hillbrow Medicine Depot across the road similarly required no information or identity. They sold us five bottles of Phensedyl without asking us to sign any register.

●Another pharmacy in the same street was approached and asked for five bottles of Phensedyl. Two elderly salespeople explained that they had just run out of stock but would have supplies by the next morning. They did not query the amount requested. As the reporter walked out, she overheard one of the salespeople whispering to the other in a shocked tone: "Is she really using this stuff?"

The Weekly Mail has spent many hours over the past two weeks observing customers purchasing cough mixtures at pharmacies and medicine depots. The number of regular customers was remarkable.

One evening early last week, a reporter was inside the Express pharmacy when two women, one white, one black, dressed identically in body-hugging black leggings, white shoestring tops and sequined "bomber" jackets — a "uniform" of street-walkers in Hillbrow — entered. They hailed the salesman by name and were in turn greeted by their first names. One of the women said, "10 please"; the other said, "I'll have five". This was clearly their "usual".

Without further discussion, the salesman packed the required quantities of Lenazine into bags, took their money — R150 for 15 200ml bottles — and bid them a good evening. No register was in sight.

Last Friday night, at around 8pm, a young white man who was obviously intoxicated walked into a pharmacy. No words were exchanged. A sales assistant simply reached under the counter and placed a brown plastic bottle into the customer's shaking hands. He dropped a handful of coins on the counter, and the assistant put them in the till. No information was requested; no register was produced.

It later became clear that he was a regular: four hours later he returned for another bottle.

The clients at these pharmacies seem to conform to several norms. Teenagers out for cheap thrills or dangerous experiments pull up in fast cars; young men, often already intoxicated, come in alone, purchasing bottles one by one; prostitutes, often in teams of two or three, buy in bulk.

Most customers observed by *The Weekly Mail* were white. Among the exceptions was a black youngster who bought a bottle, walked to the next corner and handed it to a dishevelled white man, who paid him.

The most startling aspect of the trade was how flagrantly the law is ignored.

And considering the potency of the drug contained in the remedies, it is alarming that there aren't tighter restrictions on access.

Johan Shlebush, of the South African Medicines Council, acknowledges that "the council is now looking into up-scheduling the drug", in order

●To PAGE 16

CODEINE – IT'S A KILLER

THE drug codeine is the most addictive ingredient in cough mixtures. In every 5ml, or teaspoonful, there is 9,0mg of codeine phosphate. This amounts to a large part of the contents in a 100ml bottle.

The opium poppy has two derivatives. Most people know only one — morphine, from which heroin is derived. The second by-product is codeine, a narcotic with several uses.

It is found in different medicines in varying quantities, depending on the end use and effect of the product.

In cough mixtures codeine is an amphetamine, a decongesting synthetic stimulant. It can act as an analgesic, reducing severe pain which hasn't responded to standard paracetamol pain killers. Taken in prescribed amounts, it even stops diarrhoea.

In long-time abusers symptoms of cough-mixture intoxication can be misinterpreted as those of alcohol. The eyes are bloodshot and faces flushed, and some addicts stagger like drunks.

Codeine addiction has all the implications of heroine addiction. It induces drowsinesss and a dreamy state of mind. Like alcohol, it can make things seem better, giving the user a sense of false hope.

Large amounts can be fatal, causing the stomach lining to erode and haemorrhaging from the stomach. Steady liver poisoning and, eventually, liver failure are other causes of death.

Coughing up for an easy 'high'

96

tl mail 30/8-5/9/91

●From PAGE 14

to reduce the rate of abuse.

However, according to Dr Sylvain da Miranda, director of the South African National Council for Drug and Alcohol Abuse, "up-scheduling is 'looked at' constantly, but it will not be the answer in the end. They must find a better, foolproof system. The present one makes treatment of patients futile".

He suggests a network of computers linking all pharmacies, to record transactions and inform salespeople about clients who should not be sold the drug. All buyers of high-schedule drugs would be required to show proof of identity.

The manufacturer of both brands of cough mixture, Maybaker, sells it to pharmicists in five-litre drums. Company spokesman Johan Smal says that "once the mixture is with the pharmacist, it is a matter which is no longer in our hands".

Maybaker supports the present scheduling of the remedies, he says, adding: "Pharmacists are ethical people. They can decide who to sell the mixture to."

However, *The Weekly Mail's* investigation suggests that suppliers are not fully informed and that the legal requirements in existence are ignored.

The Medicines Control Act requires pharmacists to adhere to several stipulations controlling the sale of schedule two drugs:

- It prohibits the sale of such drugs to persons under 16 years, unless the minor has a prescription with a signiture known to the pharmacist.
- Only prescribed quantities, for the treatment period stipulated — which usually amounts to a maximum of two 200ml bottles — may be sold.
- The only people permitted to sell the drugs are pharmacists, not their sales assistants.
- Pharmacists are required to read the instructions to the customer, ensuring they are understood. They must also warn the customer of the dangers involved should the dosage be exceeded.
- A register of sales of mixtures containing the drugs and all related purchases must be kept, to inform inspectors of the quantities sold at particular pharmacies within a certain period.

When the allegations in this report were put to the pharmacies for comment, their spokespersons — who identified themselves as managers of the pharmacies but refused to give their names — refused to discuss the matter.

The manager of Hillbrow Pharmacy Extension bluntly told *WM* to "mind your own business".

"There are worse things happening in Hillbrow that you should be worrying about," he said. "You're not an inspector, are you? Don't worry about what I sell; do your own job."

The manager of the Hillbrow Pharmacy and Medicine Depot declined comment, and suggested *WM* contact the owner "when he gets back from overseas".

The manager of Express Pharmacy claimed the sales assistant had told the reporter "to be careful" when using Lenazine. No such warning was given, however. Pressed for comment, he said, "I would not like to comment any further, no, no," and slammed down the phone.

When *Weekly Mail* asked the SA Pharmacy Council for details of the law relating to medicine control, spokesperson Chris van Niekerk said, "I do have a copy of the Act, but I don't care to provide you with it. Go to the Government Printer."

/A 007170

New rules for pharmacists?

(96) CT 20/9/91

Staff Reporter

A LANDMARK judgment in the Free State Supreme Court may have opened the door to pharmacists advertising their professional services and prescription medicines and lead to the SA Pharmacy Council revising its strict code of ethics.

Mr Justice G A Hattingh said in Bloemfontein on Tuesday that the code of ethics regarding advertising had never been legally enforced by the Minister of National Health and Welfare and had never appeared in the Government Gazette.

The judge said the code of rules which prevented pharmacists from advertising was not in the interests of the public and a ban on advertising was a contradiction of the principles of free marketing.

The implication of the ruling was that all pharmacists may advertise prescription medicines and offer discounts.

But a spokesman for the SA Pharmacy Council yesterday said the council was "of the opinion" that the code regarding advertising and "touting" were still valid and binding on pharmacists and should not be contravened.

"We don't want to comment on the judgment at this stage and are taking legal advice," said Mr Noel Pretorius of the council, who conceded "there was a possibility that the rules may be revised".

Pharmacists should not assume they could now go ahead and advertise, following the Supreme Court ruling, he said.

Mr Boet van der Merwe, national director of the Pharmaceutical Society of South Africa, said the judgment would be discussed at an executive meeting of the society on Monday and Tuesday.

Mr Justice Hattingh ruled that Bloemfontein pharmacist Mr Frank Scholtz was not acting illegally when he competed with other pharmacists in advertising a 25% discount on prescription medicines in two local newspapers and in pamphlets.

The judgment comes after fellow Bloemfontein pharmacist Mr Wynand van der Westhuizen brought an urgent application against Mr Scholtz and two Bloemfontein newspapers on August 29.

Cape medicine plan go-ahead

96 CT 28/9/91

BLOEMFONTEIN. — The Administrator of the Cape has successfully appealed against a judgment that found that the provincial administration's scheme to repackage and distribute medicines, without the approval of the Medicine Control Board, was illegal.

The repackaged medicines were for distribution to district surgeon patients by district surgeons and district pharmacists.

In the Cape Supreme Court on October 29, 1990, Mr Acting Justice W A van Deventer granted an application by Raats Rontgen and Vermeulen (Pty) Ltd, which conducts pharmacy businesses in the Boland.

Their objection cited the Medicines and Related Substances Control Act, which controls the quality, manufacture and dissemination of medicines.

Yesterday Mr Acting Justice Kriegler, with the concurrence of Mr Justice Botha, Mr Justice Hefer, Mr Justice Nestadt and Miss Acting Justice Van den Heever, found that the act must be held not to apply to the CPA.

CPA property

The crux of the matter, the judge said, was that it was never mentioned that it was the "sale" by the provincial hospital to the district pharmacist that was regarded as an objectionable feature of the scheme.

The draft contract for the appointment of district pharmacists made it plain that prepacked stocks of medicines supplied in terms of the contract remain the property of the administration.

The judge said it was clear that the pharmacist's position was tantamount to that of a skilled storeman in control of the administration's stock. He was to part with it only as and when instructed in writing by the local district surgeon by means of a particular form of prescription.

Therefore, it was clear the medicines remained the property of the CPA — and that they would comply with the accepted standards and specifications.

The judge said no other ground to invalidate the administration's scheme had been suggested, nor could any be perceived. — Sapa

(96) ARG 3/10/91

Pharmacists pleased about ad ruling

The Argus Correspondent

JOHANNESBURG. — Pharmacists have welcomed the ruling by the Free State Supreme Court that a code of ethics preventing them from advertising was invalid.

Major stores countrywide have placed newspaper advertisements, in spite of a statement from the Pharmacy Council that it still regards the code and regulations as valid.

Pharmacists feel confident that, should the council choose to prosecute them, the judge's ruling will be noted by the courts in other provinces.

Mr Justice R Hatting found that the code had no legal power and that regulations concerning the advertising of medicine prices and the touting of prescriptions were invalid and not enforceable. He added that the regulations were not in the public interest.

This has been supported by Mr Gerard Slabbert, managing director of Pharmarama, who says the consumer has the right to know the price of medicines.

Housewive's League president Mrs Lyn Morris has also praised the judge's ruling, saying it was important that consumers be allowed to choose where they shop.

A spokesman for Health Minister Dr Rina Venter's office said she would await representations from the Pharmacy Council before taking up the issue.

Task force to tackle crime in pharmaceutical industry

A NATIONAL task force has been convened to investigate widespread and massive theft and fraud in the pharmaceutical industry.

The task force has been convened by Professor Johan van der Walt of Potchefstroom University at the request of a group of pharmaceutical industrialists.

Professor Van der Walt said this week: "There is great concern at the extent of theft and fraud in the pharmaceutical industry.

"Many millions on rands of goods are being stolen, sometimes hijacked from trucks transporting them, and finding their way back into the normal channels by devious means.

"This has been going on for years as pharmaceuticals are a highly tradeable commodity. They are often in small packs which are easy to steal and very easy to sell back to people at ridiculous discounts."

Professor Van der Walt said some of the practices within the industry were "very bad".

"There's no way on earth that they could buy these things legitimately and sell them at such discounts," he said.

Professor Van der Walt said the investigation was in its early stages. The task force would co-operate with the South African Police, he said.

Doctors get 'drugs war' perks

A MEDICINE war is being waged in South Africa with free trips, TV sets and videos being given to dispensing doctors as booty.

And the losers are the patients, who are being forced to pay increasingly high prices for medication.

The Sunday Times has acquired documentary evidence that pharmaceutical distributors are handing out bonuses and discounts to dispensing doctors.

The practice has come under fire from the Medical Association of SA, the Pharmaceutical Manufacturers' Association, the Society of Dispensing Family Practitioners, the Pharmaceutical Association of

ıe fact that member firms ıd other companies oper- te in a competitive envi- ɔnment and that it is ex- emely important for ıem to be able to market ıd promote their pro- cts".

He said the PMA had set ɔ an adjudicating com- ittee with an independent airman to review any ɔmplaints.

The price lists of three ajor pharmaceutical ɔmpanies, Amalgamated emists, SA Druggists ıd its subsidiary Lennon, the possession of the nday Times, show that ey all offer discounts and ɔnuses on drugs.

However, they disagreed with the practice of offering huge free gifts. All said they had one "exit price" for their products to doctors and pharmacies.

Mr Garth Miller, marketing director of Amalgamated Chemists, one of the largest distributors in South Africa, dismissed claims that smaller companies were forced into discounting by bigger ones.

"They are doing this to break into our markets and they are not succeeding because we will in no way compromise our professional integrity and guarantee the safety, efficacy and stability of our products," he said.

Mr Joe Tarry, marketing director of Lennon, the biggest manufacturer of generic medicines in South Africa, said this week that specials were offered for limited periods.

But his company did not condone inducements such as free overseas trips and it had a policy of offering one exit price to all.

Mr Lew Morris, executive director of Lennon's parent company, SA Druggists, said excessive bonuses had been on the increase since the advent of the dispensing doctor, who was a preferred client.

A spokesman for the SA Pharmacy Council, a statutory body, said the council had made representations to the Department of National Health on the issue of one fixed price from manufacturers to all end-suppliers of medicine. The council had been advised that the matter had been referred to the Competitions Board.

Mr Boet van der Merwe, executive director of the Pharmaceutical Society of South Africa, said: "Unfortunately this type of thing is happening."

He said there was "complete understanding" for the position of rural doctors who needed to stock medicine for patients who could not get them anywhere else, and for doctors who were supplying poorer patients cheaply with drugs they could not otherwise afford.

The society had submitted evidence to the Competitions Board, he said.

Hesitant

Dr Hendrik Hanekom, secretary-general of the Medical Association of South Africa, said Masa's policy was that "doctors should not dispense medicines with profit as a motive, but as a service to patients."

"Masa has always been hesitant to recommend a specific mark-up because costs differ from practice to practice," he said.

"But Masa is of the opinion that a mark-up of up to 50 percent on the purchase price of medicine would be reasonable."

Mr Nico Prinsloo, registrar of the SA Medical and Dental Council, said there was an ethical rule that a medical pracitioner "may not prescribe medicines on a preferential basis where he has received some benefit to do so".

Competitive

Net prices, on detailed lists, are far lower — in some cases half — the prices at which pharmacists can buy the same drug, for example:

- Erythromid, an antibiotic, offered to doctors at a net price of R188,28 for a pack of 500 250mg tablets. The normal price is R365,65 and the suggested retail price R548,48.
- Abburic, for gout, offered to doctors at R119,40 for a pack of 250 300mg tablets and to pharmacists at R316,10. Suggested retail price for both is R475,15.

There are many other such examples.

The executive director of the Pharmaceutical Manufacturers' Association, Mr John Toerien, said the PMA was "alive to

Deals offered by one distributor, who asked not to be named as he was "a corner café" forced into "innovative marketing practices to compete with the big companies", include:

- A trip to Europe for two worth R8 000.
- A trip to Rio de Janeiro for one worth R3 500.
- Trips to Mauritius, the Seychelles and the Comores for two worth between R3 000 and R6 000.
- Colour TV sets worth R1 700, video recorders worth R1 700, CD players worth R1 476, gold watches worth R800 and gold and silver pens worth between R500 and R600.

Other deals offered, again mostly to dispensing doctors, include:

- Medicines given free if a certain quantity is bought. This formula varies from company to company and according to the quantity ordered.

Judgment opens the way for cheaper medicines

ST Times (Bus) 96
6/10/91

By IAN ROBINSON

SOUTH AFRICANS can expect to pay less for prescription medicines following two landmark events says Kosie van Zyl, managing director of medicine distribution system broker Mediscor.

The first was a notice in the Government Gazette of August 9 by Minister of Economic Co-ordination Dr Dawie de Villiers which declared unlawful arrangements which seek to prevent pharmacists from giving discounts on the price of medicines, sold on prescription, to the members of any medical scheme.

The second was a judgement by Mr Justice R Hattingh last month which rejected an application to forbid certain pharmacies from advertising their discounts.

"Since the judgement we have been advertising discounts of a minimum of 22% in the press," says Mr Mr Van Zyl.

The Pharmarama group of pharmacies has also been advertising discounts — of 25% — on prescribed medicines since 23 September.

The Pharmacy Act of 1974 conferred the status of custodian of the ethics of the pharmaceutical profession on the Pharmacy Council. The council's advertising code permits pharmacists to make known their prices of prescribed medicines but specifically forbids reference to discounts on prescribed medicines.

In his judgement in Bloemfontein Judge Hattingh declared that the Pharmacy Council's advertising code was not legally binding because it was not approved by the minister nor was it published in the Government Gazette.

However the Pharmacy Council, a statutory body, still regards its ethical rules and advertising code as binding pending a decision by its executive committee.

Daan Naude, registrar of the council, said the council had taken cognisance of the Hattingh judgement. It was studying the precise implications of this judgement and had taken legal advice.

Medical aid schemes have welcomed this judgement. Executive director of the Representative Association of Medical Schemes (RAMS) Rob Speedie described the judgement as "a great step forward towards the application of free market principles which will hopefully lead to increased competition".

Med aids blamed for doctor row

AMG 12/10/91

DI CAELERS
Weekend Argus Reporter

LOW fees paid by medical aid societies have been blamed for the continuing war between pharmacists and dispensing doctors.

The renewed row follows reports that dispensing was becoming a lucrative sideline for doctors whose "rewards" from pharmaceutical distributors included free trips, TV sets and videos.

Pharmacists, who have been labelled the "innocent casualties" in the battle, say medical aids are destroying the medical service.

It is claimed that they do not pay doctors what they deserve — and the manufacturers fuel the fire by offering better price structures to dispensing doctors than to pharmacists.

Mr Gus Ferguson, director of the Cape-Western Province branch of the Pharmaceutical Society of South Africa, has expressed concern over the patient's position in this chain.

He said automatic control over pharmacists existed simply because they did not choose what they dispensed.

"Doctors are in an awkward retail position ethically. Generally speaking they dispense primarily with profit as a motive.

"And certain pharmaceutical companies are using unorthodox promotional methods to get doctors to dispense their medicines."

Financial statistics had revealed that increases in doctors' rates had not kept pace with inflation.

Doctors were therefore dispensing medicines for purely economic reasons and "not because they hate the pharmicists".

"The perks offered are obviously very tempting for these people who enter a career like medicine expecting it to be a lucrative one," Mr Ferguson said.

Mr Billy Bannatyne, national president of the South African Association of Retail Pharmacists, said he believed doctors had reacted to the pressure put on them by medical aids and their established tariffs, and had looked for other sources of income.

"Medical aids are the problem and I think pharmacists and doctors are in fact co-victims in this very bleak picture."

He said medical aids were orchestrating health care and its future in South Africa.

A major overhaul was necessary "looking to a future which sees maximum use being made of the people and resources we already have.

"If we want health care to work, our suppliers of the health care service (such as doctors, nurses, and medical aids) must work in unison."

Fish Hoek pharmacist Mr John Frylinck echoed this position.

"Dispensing doctors are here to stay. The only real alternative I see is that of group practices where doctors, pharmacists and nursing sisters set up a single practice and operate together," he said.

"That way, instead of fighting each other, we provide a better service which sees the consumer benefiting most."

Mr Frylinck said competition between doctors and pharmacists was unhealthy and created a situation in which the consumer was the ultimate loser.

Pharmacists were in a bad position. "We can't be competitive in the market when our major opposition is dispensing doctors, and with the situation as it stands, what we need first and foremost is a single exit price on medicines from the manufacturers," he said.

A Mowbray pharmacist, who did not wish to be named, said although he believed doctors were poorly compensated by medical aids for their responsibilities, he could not condone them dispensing certain medicines in return for economic bonuses.

Doctors within a 5km radius of a pharmaceutical service should not be allowed to sell medicine, he said. "Doctors are creating a monopoly at the expense of the patient and the pharmaceutical service."

Mr Bannatyne explained that America's national association for retail druggists had succeeded in getting doctors to dispense medicines only in emergencies.

"And they achieved that purely on the principle that it is not in the best interests of the public for the person who diagnoses and prescribes, to supply the medicine too. I think that's the only principle that matters," he said.

Said a Hout Bay pharmacist: "Any good doctor shouldn't have time to be dispensing which deviates from his main line of business.

"That's when you get a sausage machine situation where doctors churn out patients and spend less time on diagnosing because they need to leave time at the end of the appointment to do the dispensing."

Pharmacies at war over price cutting

96

ST Times (Bus 13/10/91

By IAN ROBINSON

THE PHARMACY COUNCIL has lost the battle to stop full-scale price competition between pharmacies on prescribed medicines.

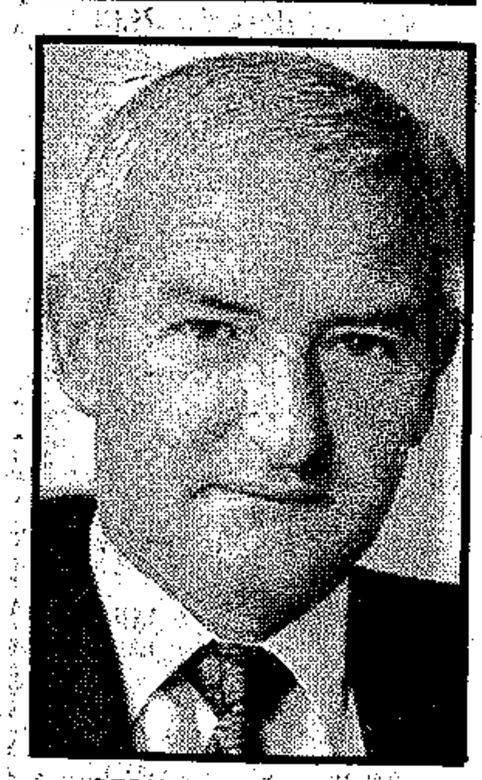
This is the view of two pharmaceutical groups which are advertising cut-price medicines to the public — the pharmacy chain Pharmarama and the medicine distribution system broker Mediscor.

Efforts by the industry to restrict retail price competition received a blow last month in the Bloemfontein Supreme Court when Justice R Hattingh rejected an application to forbid certain pharmacies from advertising discounts on prescription medicines.

But the Pharmacy Council has not yet given up. It expects to respond to the judgment in the Bloemfontein Supreme Court "within weeks," says Registrar Daan Naude.

It may appeal the judgment on a technical point. The Pharmacy Council's advertising code, which forbids references to discounts, was declared to have no legal force because the code had not been published in the Government Gazette.

To make the prohibition on the advertising of discounts legally enforcable, the council could reformulate the advertising code and submit it to the Minister of Health for approval.



GERHARD SLABBERT

Such approval would be difficult to obtain in the current economic climate.

Further, Judge Hattingh's observed in his judgment that the Pharmacy Council ought not only to consider the interests of its members but also the interests of the community, and there is no difference in principle between the advertising of prescription medicines on the basis of price and other goods — such as perfumes, sunglasses and toothpaste.

A member of the Pharmacy Council told Business Times that the council was not interested in inhibiting competition but wanted to prevent "misleading competition". In the council's view, advertising discounts was misleading because the reference price was not well defined and could differ from pharmacy to pharmacy.

Increasing price competition is expected to put many pharmacies out of business and encourage the trend towards fewer pharmacies with higher turnovers and lower margins.

The Pharmarama group has pioneered this trend, and MD Gerhard Slabbert says that his group has budgeted for discounts on prescribed medicines of a total value of R5,3-million in the financial year 1991/1992.

The group already has three large retail pharmacies and plans to open two more.

Organised medicine theft costs SA millions yearly

Star 21/10/91.

By Carina le Grange
Medical Reporter

Organised theft and illicit diversion of medicines from private and State medical institutions have assumed "alarming proportions", the National Wholesale Drug Association has reported.

In its newsletter last week, the NWDA reported this was costing the country millions of rands annually.

The report, based on an account by the police, said the consequences for individuals and corporate bodies who indulged in these practices could be disastrous.

These indivicuals and groups could face serious civil and criminal liability.

The police also warned of the worldwide manufacture and distribution of counterfeit drugs, including some of the best-known medicines on the international market.

Value

This cost hundreds of lives in the Third World each year.

The exact value of the stolen and diverted medicines is not known.

Commenting on the report, NWDA executive director Wolf Furst said members of his association would distribute only medicines that were legally available in South Africa and procured directly by NWDA members from registered manufacturers or their accredited agents.

He said his industry was governed by strict legislation and was bound by strong codes of ethics.

However, due to the behaviour of a minority, the industry had become the target for adverse publicity.

The Pharmacy Council was currently evaluating a draft Code of Practice and Minimum Standards for Pharmaceutical Wholesale and Distribution, he said.

When introduced, the code would require pharmaceutical wholesalers to be licensed with the council.

(ii) 'n lid wat twee afhanklikes laat registreer: R20,20 per week;

(iii) 'n lid wat drie afhanklikes laat registreer: R22,20 per week;

(iv) 'n lid wat vier of meer afhanklikes laat registreer: R24, 20 per week,

en ten opsigte van vrywillige lede wat nie hierbo bedoel word nie, R16,80 vir elke week diens in die Motornywerheid.''.

Namens die partye op hede die 19de dag van Augustus 1991 te Johannesburg onderteken.

T. NIEUWOUDT,
President van die Raad.

C. S. ROBERTS,
Vise-President van die Raad.

H. C. L. LOOCK,
Hoofsekretaris van die Raad.

(ii) a member who registers two dependants: R20,20 per week;

(iii) a member who registers three dependants: R22,20 per week;

(iv) a member who registers four or more dependants: R24,20 per week;

and in respect of voluntary members not referred to above, R16,80 for each week of employment in the Motor Industry.''.

Signed at Johannesburg on behalf of the parties, this 19th day of August 1991.

T. NIEUWOUDT,
President of the Council.

C. S. ROBERTS,
Vice-President of the Council.

H. C. L. LOOCK,
General Secretary of the Council.

DEPARTEMENT VAN NASIONALE GESONDHEID EN BEVOLKINGS-ONTWIKKELING

No. R. 2551 **25 Oktober 1991**

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES BETREFFENDE DIE GELDE WAT KRAGTENS DIE WET OP APTEKERS, 1974, AAN EN DEUR DIE RAAD BETAALBAAR IS: WYSIGING

Die Minister van Nasionale Gesondheid het kragtens artikel 49 van die Wet op Aptekers, 1974 (Wet No. 53 van 1974), op aanbeveling van die Suid-Afrikaanse Aptekersraad, die regulasies in die Bylae hiervan uiteengesit, uitgevaardig.

BYLAE

1. In hierdie Bylae beteken ''die Regulasies'' die regulasies afgekondig by Goewermentskennisgewing No. R. 2235 van 4 November 1988, soos gewysig by Goewermentskennisgewings Nos. R. 550 van 16 Maart 1990 en R. 2476 van 26 Oktober 1990.

2. Regulasie 2 van die Regulasies word hierby gewysig—

(a) deur in subregulasie (1) (e) (x) (aa) die uitdrukking ''R240'' deur die uitdrukking ''R252'' te vervang;

(b) deur in subregulasie (1) (e) (x) (bb) die uitdrukking ''R120'' deur die uitdrukking ''R126'' te vervang;

(c) deur subparagraaf (cc) van subregulasie (1) (e) (x) deur die volgende subparagraaf te vervang:

''(cc) wat sy verpligte militêre opleiding ondergaan: R63'';

(d) deur in subregulasie (1) (e) (dd) die uitdrukking ''R60'' deur die uitdrukking ''R63'' te vervang;

(e) deur in subregulasie (1) (h) (i) die uitdrukking ''R200'' deur die uitdrukking ''R250'' te vervang;

(f) deur in subregulasie (1) (h) (ii) die uitdrukking ''R750'' deur die uitdrukking ''R1 000'' te vervang.

DEPARTMENT OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

No. R. 2551 (96) **25 October 1991**

THE SOUTH AFRICAN PHARMACY COUNCIL

REGULATIONS RELATING TO THE FEES PAYABLE BY AND TO THE COUNCIL UNDER THE PHARMACY ACT, 1974: AMENDMENT

The Minister of National Health has, on the recommendation of the South African Pharmacy Council, in terms of section 49 of the Pharmacy Act, 1974 (Act No. 53 of 1974), made the regulations set out in the Schedule hereto.

SCHEDULE

1. In this Schedule ''the Regulations'' shall mean the regulations published under the Government Notice No. R. 2235 of 4 November 1988, as amended by Government Notices Nos. R. 550 of 16 March 1990 and R. 2476 of 26 October 1990.

2. Regulation 2 of the Regulations is hereby amended—

(a) by the substitution in subregulation (1) (e) (x) (aa) for the expression ''R240'' of the expression ''R252'';

(b) by the substitution in subregulation (1) (e) (x) (bb) for the expression ''R120'' of the expression ''R126'';

(c) by the substitution for subparagraph (cc) of subregulation (1) (e) (x) of the following subparagraph:

''(cc) undergoing his compulsory military training: R63'';

(d) by the substitution in subregulation (1) (e) (x) (dd) for the expression ''R60'' of the expression ''R63'';

(e) by the substitution in subregulation (1) (h) (i) for the expression ''R200'' of the expression ''R250'';

(f) by the substitution in subregulation (1) (h) (ii) for the expression ''R750'' of the expression ''R1 000''.

3. Regulasie 3 van die Regulasies word hierby gewysig—

(a) deur in subregulasie (1) (b) die uitdrukking "80c" deur die uitdrukking "R1,00" te vervang;

(b) deur in subregulasie (1) (f) (i) die uitdrukking "R264" deur die uitdrukking "R364" te vervang;

(c) deur in subregulasie (1) (f) (iv) (cc) die uitdrukking "80c" deur die uitdrukking "R1,00" te vervang.

No. R. 2554 **25 Oktober 1991**

WET OP VOEDINGSMIDDELS, SKOONHEIDSMIDDELS EN ONTSMETTINGSMIDDELS, 1972 (WET No. 54 VAN 1972)

REGULASIES WAT GUARGOM AS 'N VOEDINGSMIDDEL VERBIED

Die Minister van Nasionale Gesondheid het kragtens artikel 15 (1) (e) van die Wet op Voedingsmiddels, Skoonheidsmiddels en Ontsmettingsmiddels, 1972 (Wet No. 54 van 1972), die regulasies in die Bylae vervat, uitgevaardig.

BYLAE

Woordomskrywing

1. In hierdie regulasies beteken "die Wet" die Wet op Voedingsmiddels, Skoonheidsmiddels en Ontsmettingsmiddels, 1972 (Wet No. 54 van 1972), en het 'n uitdrukking waaraan 'n betekenis in die Wet toegeken is, daardie betekenis.

Verbod op guargom as 'n voedingsmiddel

2. Vir die doeleindes van artikel 2 (1) (b) (i) van die Wet, in soverre dit toegepas word en van toepassing is op voedingsmiddels, word guargom hierby skadelik of nadelig vir die menslike gesondheid geag tensy dit as 'n emulgeermiddel, stabiliseerder of verdikker in 'n voedingsmiddel gebruik word ooreenkomstig 'n bepaling van 'n regulasie wat kragtens die Wet uitgevaardig is.

No. R. 2555 **25 Oktober 1991**

WET OP VOEDINGSMIDDELS, SKOONHEIDSMIDDELS EN ONTSMETTINGSMIDDELS, 1972 (WET No. 54 VAN 1972)

REGULASIES BETREFFENDE EMULGEERMIDDELS, STABILISEERDERS EN VERDIKKERS EN DIE HOEVEELHEDE DAARVAN WAT VOEDINGSMIDDELS MAG BEVAT: WYSIGING

Die Minister van Nasionale Gesondheid het kragtens artikel 15 (1) van die Wet op Voedingsmiddels, Skoonheidsmiddels en Ontsmettingsmiddels, 1972 (Wet No. 54 van 1972), die regulasies vervat in die Bylae hiervan, uitgevaardig.

BYLAE

Woordomskrywing

1. In hierdie Bylae beteken "die Regulasies" die regulasies afgekondig by Goewermentskennisgewing No. R. 2527 van 13 November 1987.

3. Regulation 3 of the Regulations is hereby amended— (96)

(a) by the substitution in subregulation (1) (b) for the expression "80c" of the expression "R1,00";

(b) by the substitution in subregulation (1) (f) (i) for the expression "R264" of the expression "R364";

(c) by the substitution in subregulation (1) (f) (iv) (cc) for the expression "80c" of the expression "R1,00".

No. R. 2554 **25 October 1991**

FOODSTUFFS, COSMETICS AND DISINFECTANTS ACT, 1972 (ACT No. 54 OF 1972)

REGULATIONS PROHIBITING GUARGUM AS A FOODSTUFF

The Minister of National Health has, in terms of section 15 (1) (e) of the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972), made the regulations contained in the Schedule hereto.

SCHEDULE

Definition

1. In these regulations "the Act" shall mean the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972), and any expression to which a meaning has been assigned in the Act shall bear such meaning.

Prohibition of guargum as a foodstuff

2. For the purposes of section 2 (1) (b) (i) of the Act, in so far as it is applied and applicable to foodstuffs, guargum is hereby deemed to be harmful or injurious to human health unless it is used as an emulsifier, stabiliser or thickener in a foodstuff in accordance with a provision of any regulation made under the Act.

No. R. 2555 **25 October 1991**

FOODSTUFFS, COSMETICS AND DISINFECTANTS ACT, 1972 (ACT No. 54 OF 1972)

REGULATIONS GOVERNING EMULSIFIERS, STABILISERS AND THICKENERS AND THE AMOUNTS THEREOF THAT FOODSTUFFS MAY CONTAIN: AMENDMENT

The Minister of National Health has, in terms of section 15 (1) of the Foodstuffs, Cosmetics and Disinfectants Act, 1972 (Act No. 54 of 1972), made the regulations contained in the Schedule hereto.

SCHEDULE

Definition

1. In this Schedule "the Regulations" shall mean the regulations published under Government Notice No. R. 2527 of 13 November 1987.

RAADSKENNISGEWING 128 VAN 1991

WYSIGING VAN INDELING VAN PLAASLIKE OWERHEDE VOLGENS GRADE INGEVOLGE DIE WET OP DIE BESOLDIGING VAN STADSKLERKE, 1984

Ek, Jacobus Venter, Waarnemende Sekretaris van die Raad op die Besoldiging en Diensvoordele van Stadsklerke handelende kragtens magtiging deur die gemelde Raad aan my verleen ingevolge artikel 8 (2) van die Wet op die Besoldiging van Stadsklerke, 1984 (Wet No. 115 van 1984), wysig hierby Bylae A by Goewermentskennisgewing No. R. 1153 van 29 Mei 1987 soos volg:

(i) Met ingang van 1 Julie 1990:

1. Deur—

(a) die woord "Jagersfontein" waar dit in die kolom vir die Oranje-Vrystaat onder Graad 2 voorkom, te skrap; en

(b) die woord "Jagersfontein" na die woord "Hoopstad" in die kolom vir die Oranje-Vrystaat onder Graad 3 in te voeg.

J. VENTER,
Waarnemende Sekretaris.
(25 Oktober 1991)

BOARD NOTICE 128 OF 1991

AMENDMENT OF CLASSIFICATION OF LOCAL AUTHORITIES ACCORDING TO GRADES IN TERMS OF THE REMUNERATION OF TOWN CLERKS ACT, 1984

I, Jacobus Venter, Acting Secretary to the Board on Remuneration and Service Benefits of Town Clerks acting herein by virtue of authority granted to me by the said Board in terms of section 8 (2) of the Remuneration of Town Clerks Act, 1984 (Act No. 115 of 1984), hereby amend Annexure A to Government Notice No. R. 1153 of 29 May 1987 as follows:

(i) Effective from 1 July 1990:

1. By—

(a) the deletion of the word "Jagersfontein" where it appears in the column for the Orange Free State under Grade 2; and

(b) the insertion of the word "Jagersfontein" in the column for the Orange Free State under Grade 3 after the word "Hoopstad".

J. VENTER,
Acting Secretary.
(25 October 1991)

RAADSKENNISGEWING 129 VAN 1991

DIE SUID-AFRIKAANSE APTEKERSRAAD

KENNISGEWING INGEVOLGE ARTIKEL 45 (2) VAN DIE WET OP APTEKERS, 1974 (WET 53 VAN 1974)

Besonderhede rakende onderstaande persone wat na behoorlike ondersoek na hul gedrag deur die Suid-Afrikaanse Aptekersraad aan onbetaamlike of skandelike gedrag skuldig bevind is, word hierby vir algemene inligting bekendgemaak:

BOARD NOTICE 129 OF 1991

THE SOUTH AFRICAN PHARMACY COUNCIL

NOTICE IN TERMS OF SECTION 45 (2) OF THE PHARMACY ACT, 1974 (ACT 53 OF 1974)

Particulars of the following persons found guilty of improper or disgraceful conduct by the South African Pharmacy Council after due inquiry into their conduct, are published for general information:

Naam van persoon	Aard van oortreding waaraan skuldig bevind	Straf opgelê
Adam MOTLHALE	***Skandelike gedrag:*** (i) Verskaffing van voorskrifmedisyne sonder magtiging van voorskrywer; (ii) indiening van onakkurate eis vir betaling vir medisyne tot nadeel van mediese skema	Berisping en waarskuwing.
Assimakis Gerassimos TEREZAKIS	***Skandelike gedrag:*** Verskaffing van Bylae 4-entstof sonder voorskrif	Oplegging van straf voorwaardelik opgeskort vir een jaar.
Anjoma VENTER	***Skandelike gedrag:*** (i) Publikasie van advertensies strydig met etiese reëls en wat waardigheid van beroep skaad; (ii) gebruik van handelstitel vir kleinhandelapteek sonder voorafverkreë skriftelike goedkeuring van Raad	Oplegging van straf voorwaardelik opgeskort vir twee jaar.
Floris Daniël VENTER	***Onbetaamlike gedrag:*** Verskaffing van voorskrifmedisyne sonder voorskrif	Oplegging van straf voorwaardelik opgeskort vir drie jaar.
Ben Johan VERWEY	***Onbetaamlike gedrag:*** Versuim om behoorlike sorg te dra en beheer uit te oefen oor verskaffing van medisyne	Waarskuwing.
Margaret Patricia Ann WATSON	***(a) Skandelike gedrag:*** (i) Toegelaat dat ongeregistreerde persone in opbrengs uit medisyneverkope deel; (ii) werwing van voorskrifte deur aanbied van afslag op reseptering van medisyne; posbestellingsvoorskrifdiens; ongeregistreerde persone toegelaat om as agent op te tree vir insameling van voorskrifte; (iii) oortreding van artikels 22 (1) en 22 (3) van Wet 53 van 1974 ***(b) Onbetaamlike gedrag:*** (i) Resepteringspraktyk bedryf waar geen kontak met eindverbruiker bestaan het nie; (ii) versuim om te verseker dat apteker se naam op opvallende wyse bo die hoofingang van apteek aangebring word	(i) Naam uit register geskrap, vonnis voorwaardelik opgeskort vir vyf jaar; (ii) geskors vir een jaar, vonnis voorwaardelik opgeskort vir drie jaar; (iii) berisping en waarskuwing.

D. NAUDÉ,
Registrateur.

Name of person	Nature of offence of which found guilty	Penalty imposed
Adam MOTHLALE.....	***Disgraceful conduct:*** (i) Supply of prescription medicine without authorisation of prescriber; (ii) submission of inaccurate claim for payment for medicine to detriment of medical scheme	Reprimanded and cautioned.
Assimakis Gerassimos TEREZAKIS	***Disgraceful conduct:*** Supply of Schedule 4 vaccine without prescription	Imposition of penalty conditionally suspended for one year.
Anjoma VENTER.....	***Disgraceful conduct:*** (i) Publication of advertisements in contravention of ethical rules and not in keeping with dignity of the profession; (ii) use of trading title for retail pharmacy without prior written approval of the Council	Imposition of penalty conditionally suspended for two years.
Floris Daniël VENTER	***Improper conduct:*** Supply of prescription medicine without prescription	Imposition of penalty conditionally suspended for three years.
Ben Johan VERWEY	***Improper conduct:*** Failure to exercise proper care in and control over supply of prescribed medicines	Cautioned.
Margaret Patricia Ann WATSON.....	***(a) Disgraceful conduct:*** (i) Allowing unregistered persons to share in proceeds of medicine sales; (ii) touting for prescriptions by offering discount on dispensing of medicine; conducting a mail order prescription service; allowing unregistered persons to act as agents for collecting prescriptions; (iii) contravention of sections 22 (1) and 22 (3) of Act 53 of 1974 ***(b) Improper conduct:*** (i) Conducting dispensing practice without contact with end user of medicine; (ii) failing to ensure name of pharmacist displayed conspicuously over pharmacy entrance	(i) Name removed from register, sentence conditionally suspended for five years; (ii) suspended for one year, sentence conditionally suspended for three years; (iii) reprimanded and cautioned.

D. NAUDÉ,
Registrar.
(25 Oktober 1991)/(25 October 1991)

Maak uself asseblief deeglik vertroud met die "Voorwaardes vir Publikasie" van wetlike kennisgewings in die *Staatskoerant,* asook met die nuwe tariewe wat daarmee in verband staan

Please, acquaint yourself thoroughly with the "Conditions for Publication" of legal notices in the *Government Gazette,* as well as the new tariffs in connection therewith

Pharmacists given nod to advertise

B/paay
7/11/91. DAVE LOURENS (96)

PHARMACISTS are the latest professionals to be allowed to advertise.

The SA Pharmacy Council said yesterday they would be able to advertise the price of prescription medicines and give details of special discount offers.

The decision brings the pharmaceutical profession in line with accountants, architects and, as of Tuesday, attorneys, all of whom are now able to advertise. Doctors are still not allowed to do so.

An initial decision to allow pharmacists to advertise their services and the prices of medicines was taken by the Pharmacy Council in November 1989, but could not be implemented because of the Medicines Control Act.

The Act prohibited the advertising of prescription medicine prices but was amended in February this year. From July pharmacists were allowed to advertise medicine prices, but only inside their pharmacies. These restrictions now fall away.

A Pharmacy Council statement said the intention was to allow pharmacists to advertise the final price of medicine to the public. Where a discount price was advertised, the council recommended the final price of the medicine should be advertised along with the percentage reduction.

The council felt the advertising of a percentage reduction alone could be misleading, as there were no set prices for prescription medicines.

COMPANIES

Govt cutbacks, recession undermine SAD's takings

B/Day 7/11/91 (96)

WILLIAM GILFILLAN

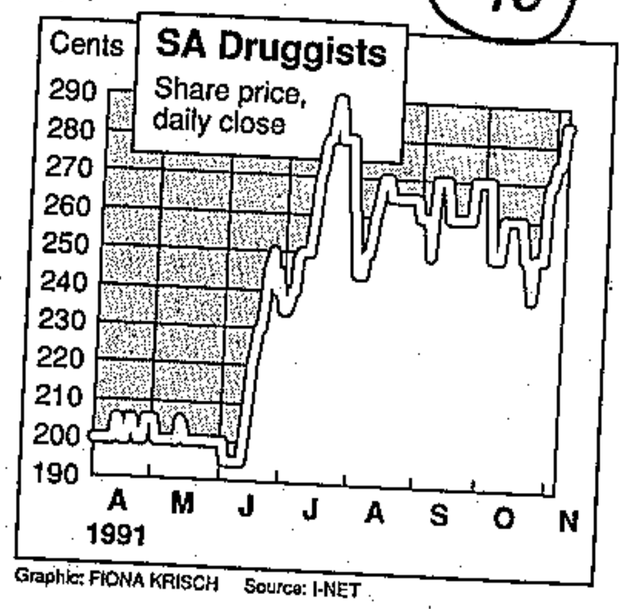
GOVERNMENT cutbacks, a mild winter and continuing recession helped reduce pharmaceutical group SA Druggists' earnings 4% to R17,9m from R18,7m for the six months to end-September.

SAD CE Johan van der Walt warned that one-off charges (increased provisions to stocks and debtors) could be made against earnings before year-end.

He said the implementation of more stringent policies following Malbak's acquisition of Federale Volksbeleggings' controlling interest in SAD was the reason.

An unchanged interim dividend of 4,75c a share was declared on earnings of 12,7c (13,2c) a share.

The 5% drop in operating income to R40,8m from R42,9m on turnover of R585m (R516m) reflected the difficult trading conditions within the pharmaceutical industry.



Graphic: FIONA KRISCH Source: I-NET

However, Van der Walt said strict control over working capital had reduced debt to R69m from R87m and, through this, gearing had come down to 31% (43%).

He said the group "was being comprehensively restrategised with a view to improving its performance and gearing it to current and impending changes in the health care industry".

Steps already being taken at SAD — the largest local manufacturer and distributor of pharmaceuticals — included the upgrading of its security, the appointment of a marketing director and the employment of outside consultants to investigate opportunities to improve productivity.

On losses experienced recently through shrinkage, he said this was substantially down on last year and had virtually disappeared.

Its Panvet animal feeds and veterinary products operation, identified by management as being outside the group's core business, had been sold to Sentrachem in September.

Construction of the R50m intravenous products plant in Port Elizabeth was on track and start-up was expected to take place in April.

On the second half results, Van der Walt said: "I am confident the actions we are taking or planning will improve the group's performance — provided the economy does not deteriorate further."

Because of the Malbak acquisition, SAD's financial year-end was to change from March to August, he said.

Medicine price ads allowed

Own Correspondent

JOHANNESBURG. — Pharmacists are the latest professionals to be allowed to advertise.

The SA Pharmacy Council said yesterday they would be able to advertise the price of prescription medicines and give details of special discount offers. CT 7/11/91

The decision brings the pharmaceutical profession in line with accountants, architects and, as of Tuesday, attorneys, all of whom are now able to advertise. Doctors are still not allowed to do so.

A decision to allow pharmacists to advertise their services and the prices of medicines was taken by the Pharmacy Council in November 1989, but could not be implemented because of Medicines Control Act restrictions, which have now fallen away.

Accord on exile degrees

JOHANNESBURG. — An agreement has been reached between the ANC and the SA Pharmacy Council to allow the registration of returning South African exiles with foreign pharmacology degrees.

Announcing the decision on Friday, the council's spokesman, Mr Michael Herbst, said the agreement would be a "one-time concession" to allow the registration of SA-born pharmacists with foreign qualifications, as well as exiled pharmacology students at foreign universities.

First line of defence should be DIY care

SELF-MEDICATION must be allowed to become the first line of health care, backed up by professional care with prescription medicines.

"Governments, however affluent, cannot continue to accept full financial responsibility for good health," Chris Rose, president of the Proprietary Association of SA, told delegates to the Pharmaceutical Manufacturers' Association last week.

"Self-medication forms an integral part of every health care delivery system world-wide.

"In developed countries it is aimed at reducing the formal health care delivery service costs, and in developing countries it fills the gap created by the non-existence of a formal health care delivery service.

"Both circumstances prevail in SA, making self-medication even more pertinent to any health care delivery strategy."

He said South Africans had demonstrated their ability to use off-the-shelf medications responsibly.

The Government had allowed this trend to develop by transferring proven prescription drugs to non-prescription status, he says, but the private sector also had a role to play.

"Doctors, pharmacists and others need to focus more closely on the benefits of self-care."

Mr Rose also called for more readable, user-friendly package and insert design.

"The consumer must be able to recognise the symptoms for which self-medication is appropriate, choose products which will alleviate those symptoms, and administer the correct medicines in the correct dosage for the correct period of time," he said.

At the same time, he said, self-medication products should be available through as many purchase points as possible.

Although the pharmacist should remain the key distributor, he said supermarkets and other outlets should be free to sell proprietary medicines with a proven safety profile.

Dispensing doctors reject move for fixed prices to all

Argus 18/11/91

VIVIEN HORLER, Medical Reporter

A GROUP representing doctors who dispense medicines has rejected a campaign aimed at persuading pharmaceutical manufacturers to sell their products at a single fixed price.

Dr P J Maelane, chairman of SA Dispensing Practitioners, questioned the motives of the National Wholesale Drug Association.

There has long been some antagonism between pharmacists and doctors who dispense medicines, with pharmacists claiming that doctors are trespassing on their turf, and doctors saying their patients have the right to available medicines.

There also have been claims from pharmacists that the practice of doctors diagnosing and then supplying the treatment is open to abuse.

Mr Lex Tannenbaum of the National Wholesale Drug Association announced the association's campaign this week, saying many manufacturers gave dispensing doctors big discounts, which gave them an advantage over pharmaceutical wholesalers and retailers.

"There are many documented cases of trading doctors being in a position to offer medicines to pharmaceutical wholesalers at prices substantially lower than those made available to the wholesaler by the manufacturer."

Dr Maelane said it was true "a few manufacturers of medicines assist us in subsidising the poorer patients and we are grateful that this development of a social conscience in big business seems to have started, but I must emphasise that very few manufacturers offer discounts that are greater than those received by the wholesalers."

Dr Abdul Barday, president of the Medical Association of South Africa's Cape Western region, said he had no problem with the concept of manufacturers having a single fixed price, known in the trade as an exit price.

"I believe any doctors who are selling discounted medicines back to the wholesalers should be exposed. I hope Mr Tannenbaum isn't using these doctors as an excuse to paint all dispensing doctors with the same brush.

"I am a dispensing doctor myself and I have no problem at all with the concept of a single exit price."

Two pharmaceutical manufacturers, Glaxo and Sandoz, said they did not offer discounts to dispensing doctors. A Glaxo spokesman said they offered discounts to bulk buyers, but not to small buyers like doctors.

Mr Michel Boulle of Sandoz said his company already had a single price which was applicable to all customers in the private sector.

He said doctors who sold medicines to their patients had a purchasing power not available to the pharmacist.

"If a doctor happens to have a large stock of a certain antibiotic on his shelf, imagine the potential for abuse. Doctors are human and are responsive to the profit motive.

"Our view is that every final seller, be it the private hospital or clinic, the retail pharamcist or the dispensing doctor, must pay the same price under the same circumstances."

Discount ads for medicines await approval

By IAN ROBINSON

PHARMACIES may be allowed to advertise discounts on prescribed medicines — provided the final price to the customer is also made known.

The Pharmacy Council is awaiting senior counsel's opinion before proposing amendments to its ethical rules. This is expected within a few days.

The amendments must be published in the Government Gazette and be approved by the Minister of Health.

Wide

The council's decision follows a landmark decision in the Free State Supreme Court in Sptember when Mr Justice Hattingh rejected an application to forbid certain pharmacies from advertising discounts on prescription medicines.

Kosie van Zyl, managing director of medicine distribution system broker Mediscor, welcomes the council's decision in principle. But he believes the proviso linking the advertising of final prices to discounts on prescribed medicines is "impractical and impossible".

There are too many prescribed medicines in a wide range of different strengths and forms to make this practical. It is also difficult to determine an acceptable reference price.

Gerhard Slabbert, managing director of the retail pharmacy group Pharmarama which has pioneered the advertising of discounts, does not think the minister will approve the Pharmacy Council's amended rules.

A member of the Pharmacy Council says it is necessary to link advertised discounts and final prices because pharmacists "should not be allowed to operate a system which could mislead the public".

Medical costs: Call for debate

CT 6/12/91

JOHANNESBURG. — There should be a reasonable debate to end the controversy over soaring health costs, the Pharmaceutical Manufacturers' Association said yesterday.

PMA executive director Mr John Toerien said in Pretoria that Dr Rina Venter, the Minister of National Health and Population Development, could not solely be held to blame for the current soaring costs of medical aid. — Sapa

Forum on high cost of medicine under fire

The Argus Correspondent

JOHANNESBURG. — A government-sponsored forum on the high cost of medicines to be held in February has come under attack from the pharmaceutical industry.

ARG 15/1/92

The Minister of National Health and Population Development, Dr Rina Venter, announced last week that the forum, called High Cost of Medicine, would be held in Pretoria on February 28 to discuss the rising cost of medicine and medical services.

Recommended topics put forward for discussion at the forum included the use of substitution medicines under certain conditions and the principle of pharmacist-initiated therapy.

But the executive director of the Pharmaceutical Manufacturers Association, John Toerien, has hit out at the government for focusing on medicine.

"It would have been far better if the forum concentrated on the high cost of the medical bill rather than to select one item of the bill which, indeed, is the most cost-effective one," Mr Toerien said.

He said the cost-effectiveness of medicines had been proved worldwide.

Mr Toerien said the recommendations put forward for discussion at the forum flowed mainly from the De Villiers investigation which was completed four years ago but which had never been made public.

He said that unless the total background to the recommendations were known, it would be difficult to judge the validity of the recommendations disclosed to Dr Venter.

Although Mr Toerien welcomed the decision to hold a forum, he said it appeared South Africa was "once again falling into the same trap as in the past by addressing only one facet of the Health Bill — medicine — and not all the elements in the Bill."

Govt hints at non-racial local elections next year

B/Day 29/1/92

CAPE TOWN — It was unlikely that the 1993 municipal elections would be like those of 1988, which were racially based, Local Government Minister Leon Wessels said yesterday.

The final negotiations for future structures of local government would be conducted nationally, though government still encouraged local talks, he told a news briefing.

"We are negotiating structures for central goverment at national level, but at the same time putting together structures for local government at national level," Wessels said.

"The final negotiations on future structures of local government will be national."

There had been more negotiations on local level than anywhere else.

"That set of negotiations will continue without undermining the spirit of negotiations at a national level.

"We are in favour of these negotiations, and are encouraging people to set up joint structures with mutual consent."

Negotiations at Codesa, however, would ultimately decide the law of the land and whether there ought to be one city, one tax base.

Wessels said the dynamics of urbanisation in SA had simply overtaken the ideology of apartheid.

The country needed a vision on how to provide space and shelter for all South Africans, but government, faced by budgetary constraints, could not do this alone.

Government was waiting for two reports to be released shortly which would deal with the formation of a comprehensive housing policy for the whole country.

These were the President's Council report on urbanisation, and the SA Housing Commission investigation into all aspects of housing in this country.

Wessels reiterated government's commitment to working in tandem with the public and private sectors, as well as with local communities.

A task group of the SA Housing Commission had set out to establish the facts about housing needs, and these were awesome. — Sapa.

Black schools back to normal

PRETORIA — Normal schooling is proceeding in most black schools in the country despite isolated incidents in the Transvaal and Free State since the reopening of schools under the Department of Education and Training, according to a DET spokesman.

DET national spokesman Geoff Mkawakwa yesterday said some Transvaal and Free State schools were disrupted when pupils demanded full pass rates.

National enrolment figures were not yet known.

Schools affected by the "pass one, pass all" campaign were Prudence Secondary in Naledi, Soweto; Tiyelelani in Soshanguve, Pretoria; and Dr Reginald Cingo Secondary in Kroonstad. The situation was normalised after meetings with parents.

However, disruptions still affected other schools.

Meanwhile, the Duduza Education Co-ordinating Committee yesterday slammed the DET for allegedly failing to address problems at schools in the East Rand township. — Sapa.

Probe into cost of medicine

(96)

KARIN FRANKEN

THE high cost of medicine is being addressed by the introduction of a five-year SA National Drugs Action Programme (Sandap). B/Day 29/1/92

Commissioned by the Health and Population Development Department, Sandap was formed to stabilise drug prices and ensure that essential medicines were made affordable. Cape Town University's pharmacology department headed the project.

Prof Peter Folb, of UCT's Medical School, said Sandap was started last August, but during the prior period numerous groups concerned with health care had offered their support and input for the programme.

A Health Department spokesman said five basic principles — affordability, accessability, equitability, cost effectiveness and acceptability — would be essential for better health care services. Asked if the issue of cost effectiveness of medicines received enough attention from Sandap, the spokesman said: "There are no simplistic solutions to the high cost of medicines in SA, and all possible solutions have been investigated."

Another issue the UCT team intends resolving is that of traditional and herbal medicines.

Council cautions on 'over-counter' slimming liquid

STAR 30/1/92

96

By John Miller

The SA National Council on Alcoholism and Drug Dependence has cautioned against the use of over-the-counter slimming solutions containing an appetite suppressant and warned that abuse could lead to psychological dependence.

Manager, professional services, Macelle Christian said no appetite suppressants had a long-term effect.

"There is research to prove that appetite suppressants do not have a long-term effect in controlling obesity.

"The danger with appetite suppressants is that they can cause psychotic disturbances."

She said it has been shown that slimming tablets could, with some people, lead to other drug abuse.

Misuse

The warning follows a report in The Star and subsequent heated debates and comments on radio about the sale of the over-the-counter slimming solution.

Following the reports, the issue is to be raised with Minister of Health Dr Rina Venter during question time in Parliament by DP health spokesman Mike Ellis.

Chris van Niekerk, manager of prices for the South African Pharmacy Council, said all members had been warned in October against the misuse of slimming solutions.

He also said that effects of the appetite suppressant d-norpseudoephedrine had been brought to the attention of pharmacy council members.

"Pharmacists must supply the patient with the correct use of any scheduled medicine," he said.

Mr van Niekerk said new regulations were being written for the Medicines Act.

A R40 000 fine could be imposed for misuse by anyone who had control of medicines. People with complaints may write to the council, which would then launch an investigation.

He said the present register system, which was seldom used by pharmacists for Schedule 2 drugs, would be made more pragmatic, to enable better control of such substances.

Almost all home-made slimming solutions contained d-norpseudoephedrine, a Schedule 2 drug found in all but two of the slimming tablets available in South Africa.

While these tablets were freely available over the counter in South Africa, they could be obtained only on prescription in the US.

Two pharmacists told The Star they had heard of colleagues who not only used d-norpseudoephedrine in slimming solutions, but also added laxatives, diuretics and a thyroid preparation — both Schedule 3 substances and available only on prescription.

The thyroid preparation affected the metabolism while the d-norpseudo-ephedrine could cause the heart rate to increase and lead to higher blood pressure, aggression, nervousness and sleeplessness.



Dr Rina Venter . . . to be questioned on slimming solution.

Belanghebbendes word versoek om binne drie maande na die datum van publikasie van hierdie kennisgewing gemotiveerde kommentaar oor of vertoë in verband met die voorgestelde regulasies in te dien by die Direkteur-generaal: Nasionale Gesondheid en Bevolkingsontwikkeling, Privaatsak X828, Pretoria, 0001 (vir die aandag van die Direkteur: Voedsel, Kosmetika, Ontsmettingsmiddels en Gevaarhoudende Stowwe).

BYLAE

1. In hierdie Bylae beteken "die Regulasies" die regulasies afgekondig by Goewermentskennisgewing No. R. 756 van 6 Mei 1977, soos gewysig.

Wysiging van Aanhangsel 1 van die Regulasies

2. Aanhangsel 1 van die Regulasies word hierby gewysig deur die volgende besonderhede in die korrekte alfabetiese posisie in te voeg:

Interested persons are invited to submit any substantiated comments on the proposed regulations or representations they wish to make in regard thereto to the Director-General of National Health and Population Development, Private Bag X828, Pretoria, 0001 (for the attention of the Director of Foodstuffs, Cosmetics, Disinfectants and Hazardous Substances), within three months of the date of publication of this notice.

SCHEDULE

1. In this Schedule "the Regulations" shall mean the regulations published under Government Notice No. R. 756 of 6 May 1977, as amended.

Amendment of Annex 1 to the Regulations

2. Annex 1 to the Regulations is hereby amended by the insertion in the correct alphabetical order of the following particulars:

I Voedingsmiddel	Kleurindeks-nommer	II Naam van kleurstof	III Voorwaardes en perke (mg/kg)
Alle voedingsmiddels waar toepaslik maar uitgesonderd voedingsmiddels waar kleurstowwe beperk of verbied word	47005	Kinoliengeel	100

I Foodstuff	Colour index number	II Name of colourant	III Conditions and limits (mg/kg)
All foodstuffs, where applicable, excepting foodstuffs where colourants are controlled or prohibited	47005	Quinoline yellow	100

No. R. 339 **31 Januarie 1992**

DIE SUID-AFRIKAANSE APTEKERSRAAD

REËLS BETREFFENDE HANDELINGE OF VERSUIME TEN OPSIGTE WAARVAN DIE RAAD TUGSTAPPE KAN DOEN: WYSIGING

Die Minister van Nasionale Gesondheid het kragtens artikel 41 (2) van die Wet op Aptekers, 1974 (Wet No. 53 van 1974), die wysiging van die reëls uiteengesit in die Bylae hiervan, wat deur die Suid-Afrikaanse Aptekersraad ingevolge artikel 41 (1) van die Wet uitgevaardig is, goedgekeur.

BYLAE

1. In hierdie reëls beteken "die Reëls" die reëls afgekondig by Goewermentskennisgewing No. R. 599 van 31 Maart 1989, soos gewysig by Goewermentskennisgewing No. R. 1549 van 5 Julie 1991.

2. Reël 5 van die Reëls word hierby deur die volgende reël vervang:

"5. (1) Die advertering van medisyne of van sy professionele diens op 'n wyse—

(a) wat nie feitelik korrek is nie;

(b) wat misleidend is;

(c) wat die waardigheid of die aansien van die beroep skaad.

5. (2) Die advertering van medisyne op 'n wyse—

(a) wat neerhalend is van 'n ander produk, medisyne of stof;

No. R. 339 **31 January 1992**

THE SOUTH AFRICAN PHARMACY COUNCIL

RULES RELATING TO ACTS OR OMISSIONS IN RESPECT OF WHICH THE COUNCIL MAY TAKE DISCIPLINARY STEPS: AMENDMENT (96)

The Minister of National Health has, in terms of section 41 (2) of the Pharmacy Act, 1974 (Act No. 53 of 1974), approved the amendment to the rules set out in the Schedule hereto, made by the South African Pharmacy Council under section 41 (1) of the Act.

SCHEDULE

1. In these rules "the Rules" means the rules published under Government Notice No. R. 599 of 31 March 1989, as amended by Government Notice No. R. 1549 of 5 July 1991.

2. The following rule is hereby substituted for rule 5 of the Rules:

"5. (1) The advertising of medicines or of his professional services in a manner—

(a) that is not factually correct;

(b) that is misleading;

(c) that harms the dignity or honour of the profession.

5. (2) The advertising of medicines in a manner—

(a) that disparages and other product, medicine or substance;

(b) wat verwys na afslag op die prys van medisyne sonder dat die finale prys van die betrokke geadverteerde medisyne ook daarmee saam geadverteer word;

(c) wat ten doel het, of geïnterpreteer of beskou kan word om ten doel te hê, die bevordering van die wangebruik of misbruik of nadelige of onoordeelkundige of onveilige gebruik van medisyne.

5. (3) Die advertering van sy professionele diens op 'n wyse—

(a) wat neerhalend is van 'n ander apteker;

(b) wat daarop bereken is om te kenne te gee dat sy professionele behendigheid of bekwaamheid of sy fasiliteite vir die beoefening van sy beroep of sy professionele dienslewering beter is as dié van ander aptekers.".

3. Reël 6 van die Reëls word hierby deur die volgende reël vervang:

"6. Die werwing of poging tot werwing van voorskrifte of besigheid betreffende die verkoop van medisyne deur op te tree op enige van die wyses soos in reël 5 bedoel.".

4. Die volgende reël word hierby na reël 22 van die Reëls ingevoeg:

"23. Die verkoop of bevordering van die verkoop van medisyne op enige wyse wat ten doel het om, of geïnterpreteer of beskou kan word om ten doel te hê, die bevordering van die wangebruik of misbruik of nadelige of onoordeelkundige of onveilige gebruik van medisyne.".

No. R. 360 **31 Januarie 1992**

DIE SUID-AFRIKAANSE GENEESKUNDIGE EN TANDHEELKUNDIGE RAAD

REGULASIES BETREFFENDE DIE GEBRUIK VAN SEKERE NAME SLEGS DEUR GEREGISTREERDE PERSONE

Die Minister van Nasionale Gesondheid het, op aanbeveling van die Suid-Afrikaanse Geneeskundige en Tandheelkundige Raad, kragtens artikel 61 (1) (mA) van die Wet op Geneeshere, Tandartse en Aanvullende Gesondheidsdiensberoepe, 1974 (Wet 56 van 1974), die regulasies in die Bylae hiervan uiteengesit, uitgevaardig.

BYLAE

1. In hierdie Bylae beteken "die Wet" die Wet op Geneeshere, Tandartse en Aanvullende Gesondheidsdiensberoepe, 1974 (Wet 56 van 1974).

2. Vir die doeleindes van artikel 40 (c) van die Wet word hierby bepaal dat die naam "paramedies" nie gebruik mag word deur iemand wat nie kragtens artikel 32 van die Wet geregistreer is nie.

No. R. 362 **31 Januarie 1992**

DIE SUID-AFRIKAANSE GENEESKUNDIGE EN TANDHEELKUNDIGE RAAD

REGULASIES BETREFFENDE DIE SAMESTELLING, WERKSAAMHEDE, BEVOEGDHEDE EN PLIGTE VAN DIE BEROEPSRAAD VIR TANDTERAPIE

Die Minister van Nasionale Gesondheid het, kragtens artikel 15 (5) van die Wet op Geneeshere, Tandartse en Aanvullende Gesondheidsdiensberoepe, 1974 (Wet 56 van 1974), die regulasies in die Bylae hiervan uiteengesit, uitgevaardig.

(b) that refers to a discount on the price of medicines without also advertising the final price of the advertised medicines;

(c) that is aimed at, or may be interpreted or regarded as having as its aim, the promotion of the misuse or abuse or the detrimental or injudicious or unsafe use of medicines.

5. (3) The advertising of his professional services in a manner—

(a) that disparages another pharmacist;

(b) that is calculated to suggest that his professional skill or ability or his facilities for practising his profession or rendering his professional services are superior to those of other pharmacists.".

3. The following rule is hereby substituted or rule 6 of the Rules:

"6. Touting or attempting to tout for prescriptions or business with regard to the sale of medicines by acting in a manner referred to in rule 5.".

4. The following rule is hereby inserted after rule 22 of the Rules:

"23. The sale or promotion of the sale of medicines in any manner that has as its aim or may be interpreted or regarded as having as its aim, the promotion of the misuse or abuse or the detrimental or injudicious or unsafe use of medicines.".

No. R. 360 **31 January 1992**

THE SOUTH AFRICAN MEDICAL AND DENTAL COUNCIL

REGULATIONS RELATING TO THE USE OF CERTAIN NAMES BY REGISTERED PERSONS ONLY

The Minister of National Health has, in terms of section 61 (1) (mA) of the Medical, Dental and Supplementary Health Service Professions Act, 1974 (Act 56 of 1974), on the recommendation of the South African Medical and Dental Council, made the regulations set out in the Schedule hereto.

SCHEDULE

1. In this Schedule "the Act" means the Medical, Dental and Supplementary Health Service Professions Act, 1974 (Act 56 of 1974).

2. For the purposes of section 40 (c) of the Act it is hereby determined that the name "paramedic" shall not be used by any person who is not registered in terms of section 32 of the Act.

No. R. 362 **31 January 1992**

THE SOUTH AFRICAN MEDICAL AND DENTAL COUNCIL

REGULATIONS RELATING TO THE CONSTITUTION, FUNCTIONS, POWERS AND DUTIES OF THE PROFESSIONAL BOARD FOR DENTAL THERAPY

The Minister of National Health has in terms of section 15 (5) of the Medical, Dental and Supplementary Health Service Professions Act, 1974 (Act 56 of 1974), made the regulations set out in the Schedule hereto.

STAR 1/2/92

(96)

Pharmacists can advertise

PHARMACISTS will no longer be prohibited from advertising the prices at which they are selling medicines, the South African Pharmacy Council said yesterday. The Minister of National Health has approved Government-gazetted amendments to pharmacists' ethical rules. — Sapa.

Drugs probe men quit over death threats

S/Times 2/2/92

THREE members of a task force investigating a lucrative black market in the pharmaceutical industry have resigned after receiving death threats.

And a fourth member of the group has employed a 24-hour armed guard to protect his family after receiving similar threats.

He said: "These people are not kidding around. They are powerful with influence in high places. I fear for the lives of my family."

The four men — who do not want to be named for fear of reprisals — are Pharmaceutical Manufacturers' Association officials, appointed last August to probe thefts of scheduled drugs valued at more than R750-million a year.

Disaster

The drugs — stolen mainly from dispensaries at government and provincial hospitals and bulk storage depots — find their way into the retail market via what sources describe as a "well-connected syndicate".

This week, a senior executive in the pharmaceutical industry warned that South Africa was facing "a major disaster" if the drug theft ring was not cracked.

"This is a health time bomb," he said.

"Some of the drugs involved have to be stored at

By DE WET POTGIETER

a certain temperature to remain stable and to perform effectively. There is little chance that such precautions are taken by the thieves, who also tamper with expiry dates and place outdated products on the market.

"This not only represents a serious health risk, but results in the death of patients to whom the products are dispensed."

Mr Johan van der Walt, chairman of the Medicine Control Council and executive chairman of one of the biggest wholesalers in the pharmaceutical industry, SA Druggists, confirmed the recovery of large quantities of stolen products which had been repacked before being channelled into the marketplace.

"In such cases, we have no idea of the stability of the products. This could be extremely dangerous," he said.

Mr Van der Walt said he was disappointed that plans to establish a special police investigation unit into pharmaceutical thefts had not materialised.

Last August, representatives of the PMA, the Department of Health and the police decided that an SAP unit would tackle the problem.

But an SAP spokesman said this week that plans had been shelved for "functional reasons".

"It was decided that all medicine-related cases would be investigated by the Narcotics Bureau," he said.

He added that "a possible breakthrough" in the drugs theft case was expected by the end of March.

The thefts have cost the pharmaceutical industry billions of rands.

Urgent negotiations between PMA officials, the police and the Department of Health are expected to take place next week in an attempt to stem the flow of scheduled drugs on to the black market.

PMA executive director John Toerien said although the thefts had occurred over a number of years, police had made little headway. "In November, the PMA considered hiring private investigators," he said.

"But we decided to wait and give the special police unit a chance, not knowing it would never materialise."

An executive source in the pharmaceutical industry said it was "a miracle" that no one had fallen seriously ill or died from stolen medicines.

Drug wholesalers have tightened stock controls and increased security at warehouses to curb the losses, but millions of rands worth of medicines continue to disappear.

The PMA is seeking special dispensation to transport scheduled drugs in unmarked vehicles to foil truck hijackers.

By law, wholesalers must transport medical supplies in clearly marked vehicles.

Industry sources believe the thefts are organised by "a well-connected syndicate with inside information" as only trucks carrying the most valuable consignments are targeted by hijackers.

Last November, East Rand doctor Raymond Kobrin was murdered and dumped in the boot of his car while investigating claims of corruption in the medical and pharmaceutical industry.

Shot

Dr Kobrin, 43, handed a six-page report on his investigation to the Sunday Times a month before he was shot.

The report listed prominent members of the industry who, he claimed, had interests in, or were associated with, drug wholesalers.

Dr Kobrin supported moves by pharmacists to be allowed to dispense generic drugs and believed the pharmaceutical industry was being controlled by a cartel with vested interests in restricting or preventing dispensing by doctors.

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years if he had known the plant
ndhand.

Industry call for SAP drug theft unit

JONATHON REES

THE pharmaceutical industry is pressing the SAP to set up a promised special unit to combat the theft every month of millions of rands worth of drugs.

Executives from pharmaceutical companies will meet senior police early this month to discuss the matter.

SA Druggists executive chairman Johan van der Walt, who heads a five-man committee probing pharmaceutical theft, said an SAP special unit was the only way to effectively beat illicit dealing in legal drugs.

But a source in the police's SA Narcotics and Alchohol Bureau said last week police were unlikely to accept that a special unit was necessary. Personnel had already been appointed to investigate drug theft — in co-operation with the pharmaceutical industry.

Van der Walt said the industry had tightened security in recent months but shrinkage still occurred. The weak point, he said, appeared to be state and provincial drug warehouses.

Scheduled medicines destined for state hospitals continued to emerge in the general trade at discount prices, undermining the industry and posing a threat to consumers.

at home on powdered milk. The lynx, which in the wild would feed on birds and small animals, is now eating meat in her outdoor enclosure.



Slimmers warned about solutions

STAR 5/2/92

By John Miller
Star Line

96

A Johannesburg pharmacist has warned slimmers not to be conned when buying one of the numerous homemade solutions.

The warning comes a week after The Star first highlighted the sudden upsurge in sales of homemade slimming solutions, leading to heated radio debates on the subject.

Almost all of these solutions contain the appetite suppressant d-norpseudoephedrine, a Schedule Two drug which is found in all but two of the slimming tablets available in South Africa. While these tablets are freely available over the counter in South Africa, they can be obtained in America only on prescription.

Purchasers of any slimming tablet or solution are supposed to have their names and addresses entered into a register at a pharmacy.

Two pharmacists told The Star that they had heard of colleagues who used diuretics and thyroid preparations, both Schedule Three substances which should be available only if prescribed.

The thyroid preparation helps to increase metabolism while the d-norpseudoephedrine can also cause several side effects including increased heart rate, elevated blood pressure, nervousness and sleeplessness.

A high dosage of this substance also leads to a "high" or, as described by one of the pharmacists, "a feeling of well-being by the abuser".

Many pharmacists consider the Schedule Two register to be "a joke".

"Proof of identity is not needed for this and the abuser can give any name or address.

"It serves absolutely no purpose and is checked every now and again by an inspector from the Department of Health, who merely looks at it and then leaves."

A spokesman for the Pharmaceutical Society of South Africa said slimming solutions should be prepared by the pharmacist to meet the specific needs of the patient.

"The pharmacist should check if the patient has any problems and then only make up the solution accordingly."

Chris van Niekerk, manager of practices for the South African Pharmacy Council, said all members were warned last August against the misuse of homemade slimming solutions.

He said new regulations were being written for the Medicines Act of last year. A R40 000 fine could be imposed for the misuse by anyone who had control of medicines. He said the present register system would be made more pragmatic to enable better control of substances and their abuse.

Anyone with a complaint may write to the council in Pretoria.

TV's Annelize is an angel of mercy to dying AIDS patients

By ROSEMARY BROWN

ACTRESS Annelize van der Ryst, better known to the public as Sarie, Doreen's mother and Stienie's neighbour in the popular television series *Agter Elke Man*, has a life off screen which she considers far more important.

When a close friend from varsity days died of AIDS in 1989, Annelize gradually began to become involved in counselling and nursing people in the last stages of the illness.

"As an actress, all the attention is on oneself," she says. "I got tired of everything working towards me. I wanted to focus on other people."

In the last three years she has supported 20 patients and their families.

The care she and other volunteer workers provide in hospices, care centres and patients' homes is "total".

"Holistic is a buzzword," she says, "but we must care for the whole person, body, spirit and mind."

Volunteers develop one-on-one friendships with patients. The support network for a person living with AIDS in this country is not sophisticated. In the United States, for example, a counsellor works through the psychological issues, a befriender buys the groceries and walks the dog and a buddy provides regular emotional support and nursing care in the home. In South Africa one person meets all these needs.

It is a draining, demanding task. Annelize was already training for the Christian ministry in her spare time and had experience as a bereavement counsellor when she started working with people diagnosed as having HIV or AIDS, but she found many of her ideas were turned upside down.

ST Times 9/12/92 (92)

Scared

"You cannot keep the 'therapeutic distance' recommended in counselling when you go to the patients' homes to counsel them when they are very sick in bed," she explains.

"In the beginning I was scared because I didn't know much about AIDS-related diseases. I had to ask the patients to tell me what their needs were, and I was frightened of hurting them, for instance when I was helping them to turn over."

It is also emotionally exhausting. "After a conversation, I used to feel totally depleted," she admits. "I used to burn out every three months until I learnt that I also needed support.

"It is not an area where one can go it alone. There is no place for the egotist. It is something one can only do with support from other volunteers."

People who discover they are HIV-positive experience a complex range of emotions. Having spent most of their lives building their careers and buying houses and cars, most people do not have the spiritual resources to cope with the knowledge of certain death.

"A can of worms opens up, although many will explore life meaningfully for the first time," says Annelize.

The challenge has prompted her to confront her own feelings and fears about life and death. She experiences a real sense of loss every time a patient dies.

"The process of grief begins for the patient as soon as the disease is diagnosed. The person has to say goodbye to his or her body, the future, family and friends."



HELPING OTHERS ... Annelize van der Ryst Picture: TIM ZIELENBACH

Annelize is eloquent on a subject most people avoid. "Life and death are one process. We live in a society which separates the two. Because we know so little about death, our fantasies about it are worse than the reality.

"I've watched people die. It is swift, peaceful — a moment and it's gone."

Medicine crisis

Cost of drugs rockets out of control — SA 'most expensive in world'

(96) ARG 10/2/92

The Argus Correspondent

DURBAN. — The cost of medicines in South Africa is rocketing out of control.

They have become more expensive than anywhere else in the world, medical authorities said today.

The situation has become so serious that a forum on the high cost of medicines in the private sector will be held by the Department of National Health and Population Development in Pretoria on February 28.

The president of the Natal Coastal Branch of the Medical Association of Natal, Dr Mark Schreiber said today: "There is no doubt that a large proportion of the population can simply no longer afford private health care or the cost of medicines.

"The huge mark-up on drugs is unacceptable, considering that in South Africa medicine is more expensive than anywhere else in the world."

He described the situation as "abysmal." He and other health authorities, including pharmacists and medical aid schemes, welcomed the proposed conference.

Various aspects of, and possible solutions to, the problem will be discussed by all the relevant health and pharmaceutical bodies at the conference which has been called by the minister of health, Dr Rina Venter, to address the crisis.

The executive director of the South African Association of Retail Pharmarcists, Mr Dave Pleaner confirmed that all the relevant bodies had been asked for their input: "The Minister has invited comment on what steps can be taken to implement various factors which will help curtail the cost of medicine."

According to Mr Pleaner, Dr Venter had identified various points which would be discussed and which could — if implemented — contribute "a great deal to reducing the cost of medical services as well as medicine."

These included:

- The ability of a pharmacist to substitute medicine with cheaper generics with the permission of the patient.
- A scheme whereby there was a maximum medical aid price for certain drugs. Medical aid schemes would decide how much they would pay the supplier for certain drugs and then the patient would have to pay the difference if he insisted on this particular drug and not the generic.

Forum coming on medicine prices

CT 11/2/92 — Own Correspondent

DURBAN — The exorbitant cost of medicine in South Africa has prompted the Department of National Health to hold a forum on February 28 to discuss this pressing issue.

The areas to be discussed at the Pretoria forum later this month include the substitution of medicines registered by the Medicines Control Council by cheaper generic substances, a system of maximum medical-aid pricing be accepted and implemented by medical schemes and the principle of a patient being responsible for part-payment of the cost of medicine at the time of dispensing.

President of the Pharmaceutical Society of South Africa Mr Tom Carse said he welcomed the opportunity to participate.

The executive director of the National Association of Pharmaceutical Wholesalers, which was the National Wholesale Drug Association until last week, Mr Wolf Fürst supported many of the items up for discussion. "Generic substitution is very important but our feeling is that they must be cheaper — not just a token 10c difference in price."

He singled out prescribing habits, over-servicing and patient demands which all affected healthcare costs.

Medicine price 'out of control'

Sowetan 11/2/92

THE PRICE of medicines in South Africa has become more expensive than anywhere else in the world and is rocketing out of control.

The situation has become so serious that a forum on the high cost of medicines in the private sector will be held by the Department of National Health and Population Development in Pretoria on February 28.

The president of the Natal Coastal Branch of the Medical Association of Natal, Dr Mark Schreiber, said yesterday:

"A large proportion of the population can simply no longer afford private health care or the cost of medicines."

Various aspects of and possible solutions to the problem will be discussed at the conference, which has been called by the Minister of Health, Dr Rina Venter.

The executive director of the South African Association of Retail Pharmacists, Mr Dave Pleaner, confirmed that all the relevant bodies had been asked for their input.

"The Minister has invited comment on what steps can be taken to implement various factors which will help curtail the cost of medicine."

According to Pleaner, Venter had identified various points which would be discussed and which could - if implemented - contribute "a great deal to reducing the cost of medical services as well as medicine".

Among them:

The ability of a pharmacist to substitute medicine with cheaper generics;

A scheme whereby there was a maximum medical aid price for certain drugs;

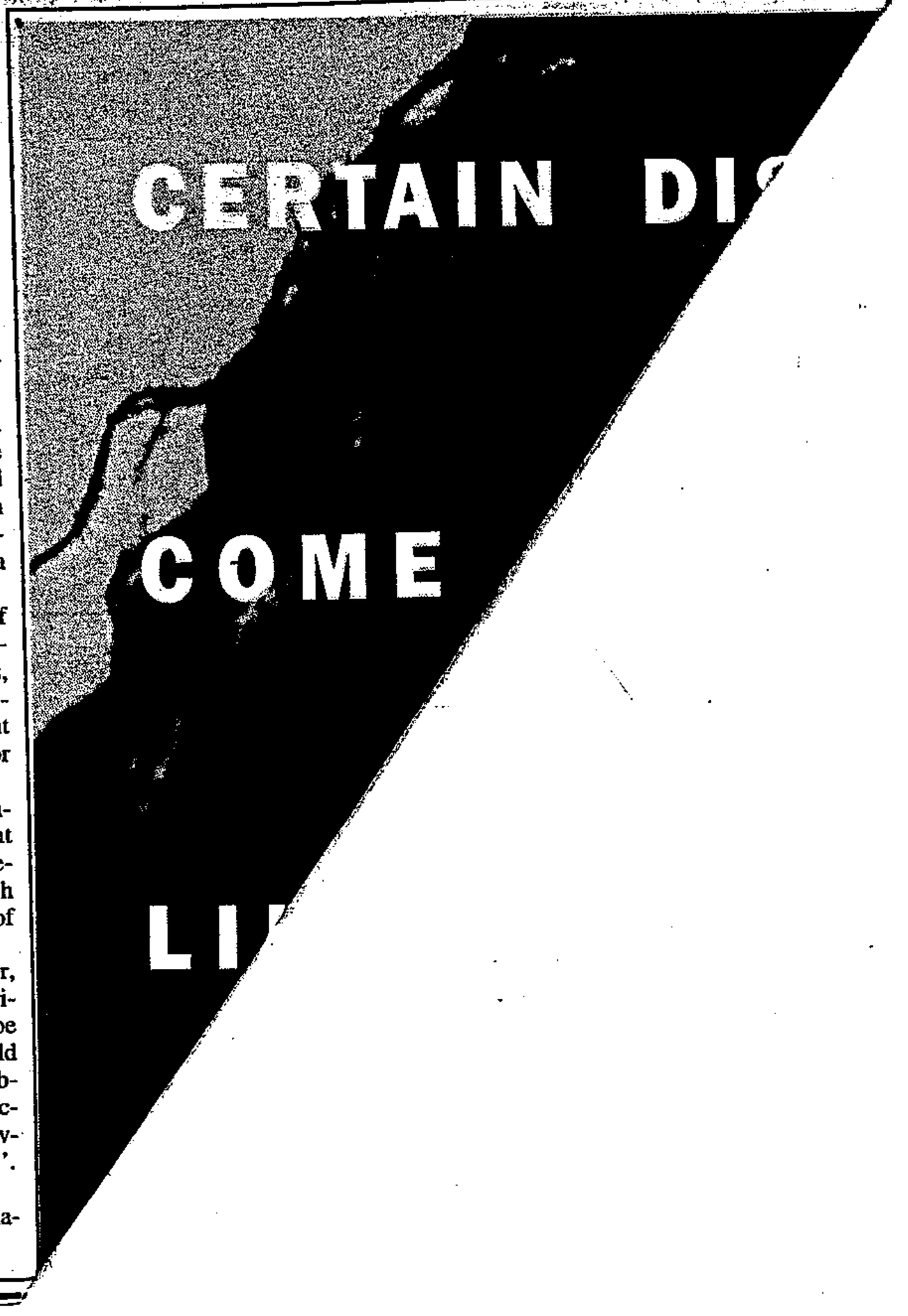
A levy by a member of a medical aid scheme to make the patient aware of the cost of medicine;

A single exit price from the manufacturers. Pharmacists would then not have to buy drugs at a higher price and would not be forced to load the end price;

"Old-fashioned counter-prescribing," which meant that the pharmacist could prescribe for illnesses that should eventually clear up, such as influenza.

Medical aid schemes would pay the pharmacy bill instead of the full consultation; and

The whole question of why some multi-national drugs are more expensive in South Africa than the same drug in another country. - *Sowetan Correspondent.*



Medicine costs 'not highest'

(96)

PRETORIA — The Pharmaceutical Manufacturers' Association has condemned as a fallacy suggestions that medicine in South Africa was the most expensive in the world.

PMA executive director Mr John Toerien said that the claim — made by the Natal Coastal branch of of the Medical Association of South Africa — was incorrect.

He also repeated an earlier statement that the medical forum mooted by Health Minister Dr Rina Venter should not only look at the "alleged" high cost of medicines, but rather develop an overall health strategy.

He said one could not compare the price of medicines from country to country. — Sapa

Stormclouds over summit on high cost of medicine

ARG 13/2/92 (96)

The Argus Correspondent

PRETORIA. — Stormclouds are gathering over the February 28 summit called by National Health Minister Dr Rina Venter on the high cost of medicine — with at least two organisations announcing they will not take part.

Dr David Green, director of the National Medical and Dental Association, said Namda's experience of a previous forum, held last year on amendments to medical schemes legislation, had shown taking part on February 28 would be a "waste of time".

Dr Joe Maelane, of South African Dispensing Practitioners, said the organisation had decided not to take part.

All eight points on the agenda were "dangerous" and his organisation had been led to believe the forum was aimed at discussing their merits, not implementation.

"The unilateral decision of the Minister of Health will not be tolerated," said Dr Maelane.

Sources in the medical field claimed other bodies, including the ANC, Cosatu and the National Congress of Trade Unions, had also turned down invitations, but this could not be confirmed.

A number of other organisations have indicated that they will take part, but have expressed reservations about the forum.

Dr M Adam, chairman of the Society of Dispensing Practitioners, said the forum was a "last chance" for the government to show its bona fides on negotiating a new health deal.

The Pharmaceutical Manufacturers' Association (PMA) has also expressed doubts over the forum, with executive director Mr John Toerien saying earlier this week that it focused on medicine costs when a whole new health care strategy was needed.

In a statement last week to dispel "confusion" about the forum, the Department of National Health and Population Development said there was a need for a forum to address all aspects of health care.

'R500m medicines stolen'

(96)

CT 13/2/92

By KIM CLOETE

BETWEEN R500m and R750m worth of medicines were stolen in South Africa every year, the executive director of the Pharmaceutical Manufacturers' Association (PMA), Mr John Toerien, said yesterday.

He called for an urgent police investigation.

The medicines, most of which were prescription medicines stolen from hospitals and warehouses, were then resold.

This amount represented about one third of the cost of all medicines sold to the private sector, Mr Toerien said.

The PMA would meet tomorrow to discuss employing private investigators.

Mr Toerien also criticised Minister of National Health Dr Rina Venter for calling a government-sponsored forum on the high cost of medicine.

He suggested that parliamentary and extra-parliamentary groups should first have a "health Codesa" and discuss a total new health care strategy.

"Only after that should they discuss isolated issues such as the cost of medicines, medical care and medical aid schemes."

He said the government also had to decide on the level of free health in South Africa.

Drug industry may get code

KATHRYN STRACHAN

THE National Wholesale Drug Association (NWDA) has proposed a code of conduct to monitor the industry in an effort to bring a halt to drug theft,estimated at R700m a year. (B3) (96)

The code of conduct is also intended to monitor pharmaceutical wholesalers to stop mishandling of scheduled drugs.

The medicines, most of them prescription drugs of schedule 3 and upwards, are disappearing in massive numbers from within the pharmaceutical industry and from hospitals. The drugs are then sold on legitimate markets.

It has not been established how drugs re-enter the legal market.

Earlier this month members of a task force investigating the black market reportedly received death threats. B/Day 18/2/92

NWDA president Lex Tannebaum said wholesalers often did not store the medicines correctly and, when exposed to high temperatures and moisture, some became inactive or even poisonous.

With the sudden increase in pharmaceutical wholesalers, Tannenbaum said it was necessary to widen membership and introduce a code of practice to "bring order to an industry that has been rapidly spinning out of control".

PAC supports leader's stance on commission

B/Day 18/2/92 (4pp)

THE PAC yesterday came out in support of its president's refusal to appear before the Goldstone Commission, branding it a product of an illegitimate order because of its appointment by President F W de Klerk.

The organisation's secretary-general, Benny Alexander, was responding to Mr Justice Goldstone's threat that if PAC president Clarence Makwetu did not appear before the commission to answer allegations of attacks on police by its military wing Apla, the judge would "enforce" him to appear.

Attitude

The threat was contained in a letter from Mr Justice Goldstone delivered to PAC headquarters in Johannesburg on February 13.

Makwetu was given 14 days in which to respond.

On the day of the deadline, Alexander made it clear his organisation would not tolerate state interference with Makwetu's refusal to appear before the commission.

Saying Apla's actions did not constitute public violence, Alexander defiantly said the PAC and Makwetu were not answerable to the commission.

"The commission states that it wishes to probe Makwetu's attitude," said Alexander.

"The commission is not entitled to probe attitudes. The PAC and its president (Makwetu) are not answerable to the commission nor to any state structure for their attitude on matters of our liberation. Moreover, the terms of reference of the commission do not allow it to probe attitudes."

Pointing to the widespread violence since the signing of the national peace accord in September last year, the PAC secretary-general charged that Apla activities did not constitute public violence or intimidation.

"The actions of all PAC structures are related to the historical necessity to destroy white domination and replace it with justice and democracy."

An even more defiant publicity secretary Waters Toboti warned of chaos if the state took action against Makwetu.

"A challenge to Makwetu is a challenge to all of us involved in the Azanian struggle.

"There would be hell if he were to be arrested and jailed.

"The people would surely free him with their bare hands," said Toboti. — Sapa.

C

New code of conduct for medicine control

(96)

STAR 20/2/92

Medical Reporter

The National Association of Pharmaceutical Wholesalers (NAPW) has prepared a Code of Practice in co-operation with the SA Pharmaceutical Council in an important step towards introducing better control in the supply of medicine to dispensing doctors, pharmacists and hospitals and clinics.

Pharmaceutical wholesalers are responsible for distributing R1,8 billion of the total value of R2,6 billion of scheduled medicines distributed annually.

Once the Code of Practice has been ratified by the SA Pharmacy Council, it will become statutory for all pharmaceutical wholesalers to conform to its requirements. Infringement could result in penalties or the loss of licence to distribute medicines.

Enforcement would be in the hands of the Department of National Health and Population Development and the Pharmacy Council.

NAPW president Lex Tannenbaum said the introduction of the code was to "substantially reduce irregular handling" of medicines.

"When badly stored and handled, many scheduled medicines can deteriorate to the point where their therapeutic effect loses potency or changes and in some cases becomes dangerous to use. In the best interest of patients, this situation could not be tolerated."

● NAPW was formerly known as the National Wholesale Drug Association. The name change comes with a change in constitution which opens membership to all wholesalers of medicines.

Forum focus on medicine price drop

Own Correspondent (96) CT 21/2/92

JOHANNESBURG. — The government's senior representative at the medical summit said the forum's main achievement was agreement that deregulation of medical-aid schemes would help bring down the prices of medicines.

Dr Coen Slabber, the director-general of the Department of National Health and Population Development, said South Africa's medicine prices were the highest in the world.

Delegates attending yesterday's forum said the talks, despite the non-participation by several prominent organisations, were a successful step towards a national health care policy.

Dr Slabber said deregulation would allow employers and trade unions to negotiate their own package for their employees, within certain parameters.

He said 101 delegates attending the forum had failed to reach consensus on whether pharmacists should be allowed to initiate therapy in response to certain patient illnesses, but had agreed the pharmacist was one of the most under-used health care professionals.

Other points discussed by the delegates included compulsory patient part-payment of the cost of medicine and the rescheduling of certain medicines.

The ANC's department of health and the National Health Unity Forum (NHUF), whose members include the National Medical and Dental Association and the South African Health Workers' Congress, withdrew from the talks on Wednesday saying they were undemocratic.

Forum facilitator Mr Guy Harris said he believed there would be behind-the-scenes talks to get the ANC and NHUF to participate in further medical forums, which will culminate in a forum in October.

Drugs and the dispensers

w/mail 21/2-27/2/92.

CRITICAL CONSUMER

Pat Sidley's weekly advice on what to buy ... and what to avoid

96



MANY pharmaceutical drugs are scheduled, can only be dispensed by a pharmacist on a doctor's prescription and have to be kept at a certain temperature and in certain conditions so that they do not deteriorate or change chemically.

Worryingly, there is no way a consumer can know if the antibiotic prescribed and dispensed was kept under the correct conditions.

In some instances this can have drastic consequences — and this country has had its fair share of them. For instance, there have been outbreaks of diseases that should be controlled by immunisation or vaccination — such as polio. This is attributed to the vaccine having been incorrectly stored.

Now the National Association of Pharmaceutical Wholesalers, in co-operation with the South African Pharmacy Council (the statutory body regulating the pharmacy profession), has prepared a Code of Practice for handling drugs.

The only hitch, in four pages of public relations output and 10 pages of the code itself, is that the consumer has no way of identifying or being able to check up on the product that he or she is buying.

Nevertheless, all things come to those who wait ... and wait and wait. This code is a start.

It will eventually be enforced by the Pharmacy Council and it will become, according to the association, a statutory requirement for all pharmaceutical wholesalers to conform to the code.

The code will regulate several areas in the wholesaling and distributing of drugs, but has loopholes.

For instance, "key supervisory and control personnel involved in the storage and distribution of medical products must possess the necessary knowledge, experience ... and professional qualifications necessary to perform their duties efficiently". And in each branch of the wholesaler or distributor there must be a managing director who is a registered pharmacist. Proper training will also be required for all involved.

The code will require that all premises and facilities used will be suitable and will protect the products from potentially harmful influences like temperature variations, moisture, sunlight and insects.

The premises will also have to be kept clean.

Adequate security will also be provided to prevent pilferage, and the code specifies that schedule 6 and 7 drugs will be kept "in a locked security room".

The code has remarkably little technical information that wholesalers and distributors would be forced to comply with.

Naturally, all those involved in this process will be required to keep adequate documentation so that batches can be traced.

And the code stresses that stock may only be bought "from manufacturers or distributors registered as such by the Pharmacy Council. The wholesaler must be able to trace the distribution chain for medicines purchased back to the supplier thereof".

But what about the pharmacist who buys from some unregulated source? Where are the checks for the consumer at the end of the line?

Expiry dates are often very important in pharmaceutical products and wholesalers will be obliged to maintain a system of first in, first out for stock.

Of course, pharmacists observe this rule rather strictly. It translates as: "the consumer gets the oldest stock which has been placed at the front of the shelf".

Recently Critical Consumer wrote a column about diaphragms which were moving so slowly that pharmacists would not keep them. This did not apply to the wholesaler who supplied a diaphragm which had only a few months' use left before its expiry date came up. The wholesaler involved is well-known and received the contraceptive device from a reputable multinational manufacturer.

Of course, the code also stipulates that products must be dispatched in carefully controlled circumstances and transported with due care for the needs of the products.

Much of what is enshrined in the code conforms to existing law since it applies to scheduled drugs. It allows for inspection of premises and insists that up to date reference books be kept on the premises as well as lists of registered doctors, pharmacists and pharmacies.

It all looks good, and for the most part people will comply with it.

But if consumers at the end of line are to be adequately protected — for that is ultimately the aim of such an effort — they should have some means of recognising whether the drugs they buy are safe.

Otherwise the code looks as if it is intended merely to ensure that only certain subscribers are licensed to do a lucrative business in drug wholesaling and distributing.

Doctors implicated in drugs syndicate

S/Times 23/2/92

96

A NUMBER of Natal doctors and pharmacists may be implicated in a massive drugs syndicate.

The investigation into the syndicate, which has allegedly stolen millions of rands worth of scheduled drugs, began with the discovery of about R50 000 worth of drugs and the arrest of a man on the South Coast.

Last Thursday members of the South African Narcotics and Alchohol Bureau in Port Shepstone arrested the man at a Scottburgh pharmacy after a tip-off. More than 4 000 stolen tablets were found in the pharmacy and about 11 000 in the boot of a car.

By RYAN CRESSWELL

Captain Leon Pretorius, head of Sanab in Port Shepstone, said many more arrests were expected soon.

"This is just the tip of the iceberg. A number of doctors and pharmacists in Natal could be implicated in these thefts," he said.

Mr Peter Miller, the MEC for health in Natal, said: "I have had reports from members of the pharmaceutical profession that members of the medical profession have been letting it be known which of these stolen drugs they want and how much they are prepared to pay.

"These pharmacists have hinted that some doctors are involved in the receiving of these drugs."

Captain Pretorius said police believe a large portion of the drugs being sold were stolen from provincial hospitals in and around Durban.

"We are now following leads to the North Coast and Maritzburg," he said.

The arrested man has already been connected to the sale of drugs worth R2,5-million since September.

It is also understood that the investigation could spread to other provinces.

Captain Pretorius said the drugs — usually expensive products used to treat blood pressure, stomach ulcers and acne — were being sold for 50 to 75 percent less than cost price.

Private

The officer said his investigative team was now working in conjunction with the Department of National Health and Population Development.

A spokesman for the department said about R170-million worth of medicines were stolen from various sources in South Africa every year.

Mr Miller confirmed that drugs were being stolen from provincial hospitals in and around Durban.

Department of National Health and Population Developement spokesman Dr G Oberholster said the department had enough evidence to "surmise the existence of one or more syndicates" that operate countrywide.

Dr Oberholster said the Medicines Control and Registration Directorate of the department estimated that drugs worth R15-million were stolen every month — or about R180-million a year. But he said private organisations had released figures that were much higher.

Wendy Orr Interdict: allegations against SAP members

67. Mr E W TRENT asked the Minister of Law and Order:

(1) With reference to the affidavits submitted to the courts in the case following the Wendy Orr Interdict, (a)(i) what were the names of the policemen against whom criminal behaviour was alleged and (ii) how many allegations were submitted against each policeman and (b)(i) what was the rank of each of these policemen at the time of the allegations and (ii)(aa) how many of them were still in the Police Force, and (bb) what was the rank of each such policeman, as at 28 January 1992 or the latest specified date for which information is available;

(2) whether any of these policemen have been (a) suspended or (b) dismissed from the Force; if so, what are the relevant details;

(3) whether an internal inquiry was instituted into this matter by the South African Police; if not, why not; if so, what were the findings;

(4) whether the record of this inquiry is a public document?

B157E

The MINISTER OF LAW AND ORDER:

(1)(a)(i) and (ii), (b)(i), (ii)(aa) and (bb).

NAMES	ALLEGATIONS	RANK 1985	SERVING MEMBER	RANK IN JAN 1992
George J Beeton	1	Capt	Yes	Capt
Izak P du Plessis	1	Capt	Yes	Lt-Col
Charl P Strydom	2	Lt	Yes	Capt
Gideon	3	Lt	Yes	Capt
Deon A Els	1	Lt	Yes	Capt
Eric A Taylor	1	Lt	Yes	Capt
Gerhard J Lotz	1	Sgt	Yes	Lt
Gert P Bezuidenhout	1	W/O	Yes	W/O
Francis V Coetzee	7	W/O	Retired	W/O
Neil Coetzee	1	W/O	Yes	W/O
Carel H Swart	5	W/O	Deceased	—
Freddie van Wyk	1	W/O	Yes	Capt
Thembinkosi A Faku	7	Sgt	Deceased	—
Templeto Luthi	2	Const	Yes	Const
Matthew M Mpokeli	2	Sgt	Yes	Sgt
Mzikoyise A Tungata	3	Sgt	Yes	Sgt
Phumzile H Jam	4	Sgt	Yes	W/O
Rodwell Ndiyane	5	W/O	Retired	W/O
Vukile M Nesi	16	Const	Yes	Const
Wilbeforce M Sikwebu	1	Const	Yes	W/O

(2) (a) No.

(b) No.

(3) A departmental investigation is still pending at present together with certain civil actions which were lodged in the case in question. Departmental steps will be considered after finalization of the civil actions and the relevant investigation.

(4) Falls away.

National servicemen: 1992 intake

72. Mr A GERBER asked the Minister of Defence:†

(a) How many national servicemen were called up for compulsory military service for the January 1992 intake, (b) how many of these national servicemen reported for such service and (c)(i) how many of them were sent back to their homes and (ii) why were they so sent back?

B164E

Continue ...

The MINISTER OF DEFENCE:

(a), (b) and (c)

Figures are not supplied as it creates the opportunity for certain individuals and/or organisations to use them for political gain and this is not in the national interest or in the interest of the SA Defence Force.

Official population figures

78. Mr M J ELLIS asked the Minister of Home Affairs:

(a) What are the official population figures for the (i) Republic of South Africa and (ii) Natal/KwaZulu region and (b) in respect of what date are these figures furnished?

B223E

The MINISTER OF HOME AFFAIRS:

The preliminary results of the 1991 population census are furnished. The information is as enumerated and has not yet been adjusted for undercount.

Certain mixture: complaints

80. Mr M J ELLIS asked the Minister of National Health:

(1) Whether she or her Department has received any complaints, enquiries and/or representations regarding a certain mixture, the name of which has been furnished to the Minister's Department for the purpose of her reply, which is available in certain retail pharmacies in the Republic of South Africa; if so, what (a) is the name and (b) are the ingredients of this mixture;

(2) whether any of these ingredients or the mixture as a whole contains any habit-forming or addictive substances or has such qualities; if so, what are the relevant details;

(3) whether she or her Department intends taking any action (a) against the manufacturer, and (b) in respect of the sale, of this mixture; if not, why not; if so, what action?

B225E

The MINISTER OF NATIONAL HEALTH:

(1) Yes, (a) "Eazislim". It consists of three separate products supplied in the form of a kit, that must be mixed beforehand by the pharmacist before the mixture is sold to the public and (b) d-nor-pseudoephedrine powder a tonic called Liviton a mixture containing senna;

(2) the constituent of the mixture, d-nor-pseudoephedrine can be abused and may be habit-forming. The substance is currently sheduled in Schedule 2 which means that it may only be prescribed by doctors and pharmacists and that the particulars of each sale must be recorded in a prescription book. The Medicines Control Council has on numerous occasions considered the rescheduling of the substance, but has decided that the risks involved with the controlled use of the substance is not so large that the substance should be placed under more stringent control;

(3) (a) steps have already been taken against the distributor of the mixture. The mixture is no longer sold as "Eazislim", and the distributor now sells the individual components to pharmacists and

(b) the sale of the mixture took place as a result of a loophole in the regulations which were promulgated in terms of the Medicines and Related Substances Control Act, 1965 (Act 101 of 1965). Steps have already been taken to amend the regulations to curb this sort of activity.

Free settlement areas

98. Mr P G SOAL asked the Minister of Local Government and National Housing:

(a) How many free settlement areas have been proclaimed since the promulgation of the Free Settlement Areas Act, No 102 of 1988, (b) where are these areas situated, (c) what is the size of each, (d) how many persons are living in each of these areas and (e) in respect of what date is this information furnished?

B247E

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING:

(a) 13.

Cont....

policy of the Department on the release of people is a well-tried one which has been in position for a very long time, and it is being applied strictly.

†Adv C H PIENAAR: Mr Speaker, further arising out of the hon the Minister's reply I want to know whether his predecessor, when he released the prisoners, acted in accordance with that well-tried policy.

†The MINISTER: Mr Speaker, I arrived there six months ago, and I am applying that policy strictly. I want to give the hon member the assurance that as far as I know my predecessor applied the policy of the Department in respect of the release of prisoners with due regard to all the circumstances that prevailed in the country and in the Department.

†Adv C H PIENAAR: Mr Speaker, further arising out of the hon the Minister's reply, may I just ask him why the Attorneys-General protested against the releases if his predecessor applied that policy?

†The MINISTER: Mr Speaker, I am really not aware of the Attorneys-General having protested against the policy. [Interjections.] There is dissatisfaction, but . . .

†An HON MEMBER: That's a bull's-eye.

†The MINISTER: The hon member should just keep calm and not fight the referendum now already. We shall fight it later.

I repeat, my predecessor applied the policy with due regard to all the circumstances prevailing in the country. At the moment there is much anxiety about crime. That is a factor that is being taken into account. That is why we are again looking at the whole policy regarding release. It is a well-tried policy that has been in force for many years and has worked very well.

Business interrupted in accordance with Rule 180C(3) of the Standing Rules of Parliament.

Certain person who left the RSA

*11. Mr L FUCHS asked the Minister of Foreign Affairs:

(1) Whether a certain person, whose name has been furnished to the Minister's Department for the purpose of his reply, has left the Republic of South Africa; if so, (a) for what period of time did he stay in the Republic and (b) what was the total cost to the State of keeping him in the Republic;

(2) what is the name of this person? B255E

The MINISTER OF FOREIGN AFFAIRS:

(1) (a) The person and his spouse resided in Pretoria from 10 March 1990 until 8 November 1991. Since the latter date he has been residing in his own home in the Bisho/King William's Town area.

(b) The person and his spouse were accommodated in an available house in Pretoria, where they paid their own living expenses.

(2) Mr L L W Sebe.

Health of certain prisoner

*12. Mr L FUCHS asked the Minister of Correctional Services:

(1) Whether he will make a statement on the state of health of a certain prisoner, whose name has been furnished to the Minister's Department for the purpose of his reply; if not, why not; if so, (a) what is this prisoner's name and (b) what are the relevant details;

(2) whether the State intends releasing this prisoner on humanitarian or other grounds; if not, why not; if so, (a) when and (b) on what grounds? B256E

The MINISTER OF CORRECTIONAL SERVICES:

(1) No.

The privacy of prisoners as well as the professional independence of the medical practitioners who are responsible for their health care, is respected. It is therefore policy not to make details available or to comment on the state of health of individual prisoners. However, it can be confirmed that he has access to adequate medical and psychiatric treatment.

(a) and (b) Fall away.

(2) The release of a patient of the State is addressed statutorily in the Mental Health Act, 1973 (Act No 18 of 1973) and

continue

takes place according to the mechanisms and qualifications as stipulated by the above-mentioned Act. My department has no decision-making powers regarding the release of this category of persons.

(a) and (b) Fall away.

Medicines and Related Substances Control Act

*13. Mr M J ELLIS asked the Minister of National Health:

(1) Whether the Appellate Division has ruled that the provisions of the Medicines and Related Substances Control Act, No 101 of 1965, are not applicable to the State;

(2) whether she has received representations that steps be taken to make the Act applicable to the State; if so, (a) from whom and (b) what has been her response to these representations? B257E

The MINISTER OF NATIONAL HEALTH:

(1) Yes;

(2) yes,

(a) the Chief Directorate of Procurement Administration of the Department of State Expenditure, the Medicines Control Council as well as the Pharmaceutical Manufacturing Association, and

(b) I accept the decision of the Appellate Division but wish to add that it is the policy of the Government that the State must observe the laws on medicine. Medicine provision by the Government must be orderly and good dispense practice must be maintained. The proper way to ensure and organise this is by means of the National Policy for Health Act, 1990 (Act 116 of 1990).

Report by Dr Wim de Villiers

*14. Mr M J ELLIS asked the Minister of National Health:

(1) Whether she has any intention of releasing the full text of the report by the late Dr Wim de Villiers on medicine; if not, why not; if so, when will the contents of this report be made available;

(2) whether she will make a statement on the matter? B258E

The MINISTER OF NATIONAL HEALTH:

(1) No, as Dr Wim de Villiers passed away before the report had been completed, the Cabinet decided not to make the contents of the report available;

(2) no.

Office of the Surveyor-General: price increases

*15. Mr K M ANDREW asked the Minister of Regional and Land Affairs:

Whether there have been any increases since 1 January 1988 in prices charged by the Surveyor-General's Office for (a) prints of micro-filmed diagrams and (b) copies of township film; if so, (i) what increases and (ii)(aa) when and (bb) why were the prices increased? B259E

The MINISTER OF REGIONAL AND LAND AFFAIRS:

Yes, the fees that the office of the Surveyor-General charges for

(a) prints of "micro-filmed diagrams" and

(b) "copies of township film"

increased since 1 January 1988.

The order of the increases was as follows:

(i) The fees for prints of diagrams on microfilm were increased from R1,00 in 1987 (GST excluded) to R2,00 (GST excluded) in 1990 and finally to R3,50 in 1991.

The fees for paper prints of plans on film were increased from R2,00 (GST excluded) in 1987 to R3,00 (GST excluded) in 1990 and finally to R5,50 in 1991.

(ii) (aa) The increases came into operation on 1 September 1990 (Government Gazette No 12715 of 31 August 1990) and on 1 October 1991 (Government Gazette No 13482 of 30 August 1991).

(bb) The reasons for the increases are the following:

In view of the accepted principle to evaluate the functions of all Govern-

policy of the Department on the release of people is a well-tried one which has been in position for a very long time, and it is being applied strictly.

†Adv C H PIENAAR: Mr Speaker, further arising out of the hon the Minister's reply I want to know whether his predecessor, when he released the prisoners, acted in accordance with that well-tried policy.

†The MINISTER: Mr Speaker, I arrived there six months ago, and I am applying that policy strictly. I want to give the hon member the assurance that as far as I know my predecessor applied the policy of the Department in respect of the release of prisoners with due regard to all the circumstances that prevailed in the country and in the Department.

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(2) what is the name of this person?

B255E

The MINISTER OF FOREIGN AFFAIRS:

(1) (a) The person and his spouse resided in Pretoria from 10 March 1990 until 8 November 1991. Since the latter date he has been residing in his own home in the Bisho/King William's Town area.

(b) The person and his spouse were accommodated in an available house in Pretoria, where they paid their own living expenses.

(2) Mr L L W Sebe.

Health of certain prisoner

*12. Mr L FUCHS asked the Minister of Correctional Services:

(1) Whether he will make a statement on the state of health of a certain prisoner, whose name has been furnished to the Minister's Department for the purpose of his reply; if not, why not; if so, (a) what is this prisoner's name and (b) what are the relevant details;

(2) whether the State intends releasing this prisoner on humanitarian or other grounds; if not, why not; if so, (a) when and (b) on what grounds?

B256E

The MINISTER OF CORRECTIONAL SERVICES:

(1) No.

The privacy of prisoners as well as the professional independence of the medical practitioners who are responsible for their health care, is respected. It is therefore policy not to make details available or to comment on the state of health of individual prisoners. However, it can be confirmed that he has access to adequate medical and psychiatric treatment.

(a) and (b) Fall away.

(2) The release of a patient of the State is addressed statutorily in the Mental Health Act, 1973 (Act No 18 of 1973) and

continue

takes place according to the mechanisms and qualifications as stipulated by the above-mentioned Act. My department has no decision-making powers regarding the release of this category of persons.

(a) and (b) Fall away.

Medicines and Related Substances Control Act

*13. Mr M J ELLIS asked the Minister of National Health:

(1) Whether the Appellate Division has ruled that the provisions of the Medicines and Related Substances Control Act, No 101 of 1965, are not applicable to the State;

(2) whether she has received representations that steps be taken to make the Act applicable to the State; if so, (a) from whom and (b) what has been her response to these representations?

B257E

The MINISTER OF NATIONAL HEALTH:

(1) Yes;

(2) yes,

(a) the Chief Directorate of Procurement Administration of the Department of State Expenditure, the Medicines Control Council as well as the Pharmaceutical Manufacturing Association, and

(b) I accept the decision of the Appellate Division but wish to add that it is the policy of the Government that the State must observe the laws on medicine. Medicine provision by the Government must be orderly and good dispense practice must be maintained. The proper way to ensure and organise this is by means of the National Policy for Health Act, 1990 (Act 116 of 1990).

Report by Dr Wim de Villiers

*14. Mr M J ELLIS asked the Minister of National Health:

(1) Whether she has any intention of releasing the full text of the report by the late Dr Wim de Villiers on medicine; if not, why not; if so, when will the contents of this report be made available;

(2) whether she will make a statement on the matter?

B258E

The MINISTER OF NATIONAL HEALTH:

(1) No, as Dr Wim de Villiers passed away before the report had been completed, the Cabinet decided not to make the contents of the report available;

(2) no.

Office of the Surveyor-General: price increases

*15. Mr K M ANDREW asked the Minister of Regional and Land Affairs:

Whether there have been any increases since 1 January 1988 in prices charged by the Surveyor-General's Office for (a) prints of microfilmed diagrams and (b) copies of township film; if so, (i) what increases and (ii)(aa) when and (bb) why were the prices increased?

B259E

The MINISTER OF REGIONAL AND LAND AFFAIRS:

Yes, the fees that the office of the Surveyor-General charges for

(a) prints of "micro-filmed diagrams" and

(b) "copies of township film"

increased since 1 January 1988.

The order of the increases was as follows:

(i) The fees for prints of diagrams on microfilm were increased from R1,00 in 1987 (GST excluded) to R2,00 (GST excluded) in 1990 and finally to R3,50 in 1991.

The fees for paper prints of plans on film were increased from R2,00 (GST excluded) in 1987 to R3,00 (GST excluded) in 1990 and finally to R5,50 in 1991.

(ii) (aa) The increases came into operation on 1 September 1990 (Government Gazette No 12715 of 31 August 1990) and on 1 October 1991 (Government Gazette No 13482 of 30 August 1991).

(bb) The reasons for the increases are the following:

In view of the accepted principle to evaluate the functions of all Govern-

Medicine forum to go ahead despite dissent

CT 28/2/92 Own Correspondent (96)

JOHANNESBURG. — The government-initiated forum on the high cost of medicine in the private sector will go ahead today despite Wednesday's withdrawal from the talks by several prominent organisations — including the ANC.

The forum, which is being hosted by the Department of National Health and Population Development, is being held in Pretoria.

The ANC's department of health and the National Health Unity Forum, whose members include the National Medical and Dental Association, withdrew saying the talks were undemocratic and "too focused".

Chemists to rule on the pill

96
CT 3/3/92

Own Correspondent

JOHANNESBURG — Specially-trained pharmacists will soon be able to dispense oral contraceptives without needing a doctor's prescription, the director-general of national health Dr Coen Slabber said at the weekend.

The relaxing of rules governing the dispensing of the pill is part of a drive to increase the powers of the pharmacist, who is presently regarded as one of the most under-utilised health care professionals.

"The pharmacist must become more involved in health care," Dr Slabber said, adding that after five years of training the pharmacist should not be confined "to counting pills".

The pill is presently available from family-planning clinics, or through pharmacies after a doctor's prescription has been obtained.

Dr Slabber said an estimated 2 000 pharmacists throughout the country had received family-planning training from the Department of National Health and Population Development.

The first group wrote an exam to determine whether they would be allowed to dispense the pill last November, while a second group wrote their exam earlier this year.

Pharmacists who pass their exams are expected to start dispensing the pill only once Minister of Health Dr Rina Venter officially announces the new development next month.

No-prescription pill from April (96)

Own Correspondent

JOHANNESBURG. — Specially trained pharmacists will start dispensing oral contraceptive pills without a doctor's prescription on April 1, the Department of National Health and Population Development said yesterday.

The department said more than 1 300 pharmacists have so far passed exams entitling them to dispense oral contraceptives without a prescription. At the moment pharmacists are only allowed to dispense the pill if they receive a doctor's prescription.

In future community pharmacists will receive their family planning training at universities and technikons where pharmacy courses are offered. CT 4/3/92

FOCUS: *Women needn't pay for the pill. Is the news as good as it sounds?*

The pill for the people

wlmail 6/3-12/3/92. 96

FROM April 1 women will be able to bypass doctors and get their contraceptive pills directly from pharmacists — and paid for by the state.

This new policy represents the Department of National Health and Population's drive to bring primary health care to the majority of South Africans — although some will interpret it as a move by the department to stop people having babies. It will also be seen to be a hasty decision made before other more crucial primary health care needs have been addressed — and before the department has considered possible repercussions raised by its current move.

Thousands of women will no doubt be cheering at the prospect of not having to cough up anywhere between R30 and R130 for a visit to a doctor plus the cost of the pill. Admittedly, the department's decision is not primarily intended for those women who can afford to visit private doctors regularly.

There are several conditions attached to pharmacists dispensing the pill and initiating the treatment without a doctor having been consulted. They have to attend a course in family planning run by the department and pass an exam, before they will be licensed to give out the pill. They will be required to take a medical history from each woman who wants contraception. And they will have to find out, among other things, whether there is a family history of breast or other cancers, blood clotting, migrains, heart attacks — and if the consumer smokes.

Pharmacists will take blood pressure, but any other tests will have to be referred to doctors or clinics. A consumer will have to be able to prove to the pharmacist that she has had an annual check-up, including a pap-smear.

The state no longer takes free pap-smears — a blow to women who will now be encouraged to stop having babies because they no longer have to pay for the pill, but not to look for signs of cervical cancer which is easily cured.

CRITICAL CONSUMER

Pat Sidley's weekly advice on what to buy ... and what to avoid



Pharmacists who engage in this new system will act as agents of the Department of National Health and Population Development and will be offering a service to the community similar to that performed by the department's family planning clinics.

Information taken from consumers will have to be recorded and kept up to date — and confidential. Pharmacists will have to consider the fact that women will not want to discuss their medical history at the counter of a pharmacy.

The pharmacist will either dispense the pill — supplied by the Department of Health — or suggest some other method of contraception if the pill is thought to be unsuitable.

Pharmacists may not charge for pills supplied by the department, but may charge a professional fee for the service, as laid down by the Pharmacy Council.

There appears to be nothing stopping pharmacists from collecting pills from the department and then selling them.

According to the pharmacists approached, there is no clarity on whether they will be able to dispense — and charge for — the pill from their own stocks to consumers who do not have a prescription.

Some say they will sell their own stock without prescription. One pharmacist bluntly told this Critical Consumer that he did not see why he should have to take a medical history and give away the pill to women who could afford to pay. And he questioned why he should not sell his own stock to those without prescriptions and who could afford to pay.

Pharmacists were uncertain whether they could dispense the controversial contraceptive drug, Depo Provera, without prescription. Depo Provera is usually given in injection form and lasts for several months, but has several serious side-effects. This drug is used in the Third World for women who may not be able to take the pill for a variety of reasons, for example, they live in rural areas far from pharmacists and hospitals or they are forgetful.

The policy is also not clear on who is responsible if the consumer becomes ill after taking the pill? Will the consumer will be able to sue the pharmacist as she might have done her doctor had he or she prescribed it?

The new system is open to abuse. Some pharmacists may be tempted to complete the course, pass the exam and become registered to dispense the pill. They could then refuse to take on the state's consumers and make money out of women they deem able to afford a professional fee and the cost of non-government stock. In the family planning clinics, the option on being charged and ripped off does not arise.

This Critical Consumer and the Consumer's Association in Britain did a similar study on pharmacists seeking more professional discretion and greater professional fee-charging ability. We found that far too many pharmacists behaved like salesmen, selling the most profitable remedy at the physical and health expense of the consumer.

C

Whether any social pensions payable to members of the Black population group were cancelled recently owing to concern relating to information contained in their identity documents; if so, what are the relevant details? B285E

The MINISTER OF LOCAL GOVERNMENT AND NATIONAL HOUSING:

Yes. In the Transvaal 3 383 and in Natal 2 131 pension allowances were suspended. No suspensions occurred in the Orange Free State and Cape Province.

Previously pensioners qualified for the payment of a pension on the strength of their age which they provided on their application for the old identity documents (passbooks). After the new identity documents, in which the date of birth is reflected in the identity number were issued to the Black population group, it was established that the dates of birth of the beneficiaries in the old passbooks and the new identity documents differ and consequently payment of pension benefits had to be suspended due to the fact that some pensioners have not reached the age to qualify for a pension. However, those affected were referred to the Department of Home Affairs for reassessment of their ages and if it should appear that these persons qualify for a pension, payment thereof will be reinstated immediately.

Mr R V CARLISLE: Mr Chairman, arising from the reply of the hon the Minister, is he aware that there have been—and I cannot say whether the pension payments in question have been held over or not—similar investigations in the Queenstown area and possibly elsewhere too? If not, could he look into this and see why it is happening because people are suffering as a result of it?

The MINISTER: Mr Chairman, if the cases referred to by the hon member were not dealt with and catered for in the answers that I have given, we shall certainly look into the matter.

Mr R M BURROWS: Mr Chairman, further arising from the reply of the hon the Minister, may I ask whether all 20 000 cases in the Transvaal and 3 000 in Natal—or whatever the numbers were—were automatically referred to the Department of Home Affairs to reassess the age of the applicants or whether each applicant has to apply individually.

The MINISTER: Mr Chairman, may I just point out that the hon member has his figures completely wrong. However, the fact of the matter is that I am not sure whether it was dealt with automatically or not. If it is a matter of concern to the hon member, however, we shall gladly attend to it.

Medicines and Related Substances Control Amendment Act

*3. Mr M J ELLIS asked the Minister of National Health:

(1) Whether the Medicines and Related Substances Control Amendment Act, No 94 of 1991, has come into effect; if so, when; if not, (a) why not and (b) when is it anticipated that it will come into effect;

(2) whether the regulations emanating from this amending legislation have as yet been drawn up; if not, why not;

(3) whether these regulations will be published for comment before they are put into operation; if not, why not? B286E

†The MINISTER OF NATIONAL HEALTH:

(1) Yes, on 12 July 1991 with the exception of the provisions of sections 1(c), 1(f), 9, 19, 21, 23, 24 and 25,

(a) the above sections have to do with the manner in which scheduled substances are handled and the relevant regulations must first be written and promulgated before these sections can become operative according to section 28 of the Amendment Act and

(b) it is estimated that the regulations will be promulgated in the course of this year;

(2) the regulations have not been finalized. There have been extensive consultation, investigations and research and the regulations are currently being written. The Medicines Control Council is also involved in these actions as the Medicines and Related Substances Control Act, 1965 (Act 101 of 1965), stipulated that

regulations are promulgated on the recommendation of the Council;

(3) [illegible] (96)

Certain group of holiday touring companies

*4. Mr A J LEON asked the Minister for Administration and Tourism:

(1) Whether, with reference to recent incidents in which groups of South African tourists were allegedly left stranded in Egypt and Greece, he intends investigating the affairs of a certain group of holiday touring companies, the name of which has been furnished to the Minister's Department for the purposes of his reply; if not, why not; if so, (a) what form will the investigation take and (b) what is the name of the group in question;

(2) whether he will make a statement on the matter? B287E

The MINISTER FOR ADMINISTRATION AND TOURISM:

(1) The reason for South Africans being stranded in Egypt and Greece is as a result of financial difficulties experienced by a South African Tour Operator. As this Tour Operater has been placed into Provincial Liquidation an investigation into their affairs will automatically be done.

(a) The form of investigation will be done by the duly appointed liquidators who will issue a full report upon completion of an audit.

(b) The group in question is Needwood Holdings who took over TFC Group Holdings—Trading as TFC Tours and TFC Southern Africa.
(Needwood Holdings and TFC Cruise Line have not been placed into liquidation)

(2) A statement is not considered necessary.

Necklacing: Pinetown

*5. Mr P H P GASTROW asked the Minister of Law and Order: [illegible]

(1) Whether any members of the South African Police Force have been charged with criminal offences in connection with the alleged necklacing near Pinetown on or about 13 January 1992 of a certain person, whose name has been furnished to the Police for the purpose of the Minister's reply; if not, why not; if so, (a) what were the charges, (b) how many members of the Police Force were charged, (c) on what dates did these members appear in court and (d) what is the name of the person in question; [illegible]

(2) whether any of these members have been suspended from the Police Force; if not, why not; if so, what are the relevant details? B289E

†The MINISTER OF LAW AND ORDER:

(1) No members of the South African Police have been charged with criminal offences. The case docket has been referred to the Attorney-General for his decision. His decision is not yet known

(a), (b) and (c) Fall away.

(d) Mr Vusi Phiri

(2) While awaiting the Attorney-General's decision, no members of the South African Police have been suspended in this regard.

Person assaulted: Elandsfontein

*6. Mr P H P GASTROW asked the Minister of Law and Order:

(1) Whether, with reference to a person whose name has been furnished to the South African Police for the purpose of the Minister's reply, the identity of the suspects who allegedly assaulted this person before his death near Elandsfontein on or about 25 December 1991 is known to the Police; if so, what is the name of the deceased;

(2) whether the above suspects have been arrested and charged with criminal offences; if not, why not; if so, (a) when were they arrested and charged, (b) what were they charged with and (c) when did they appear in court? B290E

The MINISTER OF LAW AND ORDER:

(1) Yes, the names of the suspects are known to the South African Police. The name of

PHARMACEUTICAL INDUSTRY

Upjohn's philosophy

The battle to contain health care costs is not unique to SA, nor is the realisation that deregulation offers the most workable solution.

Geoffrey Rogers, Upjohn Pharmaceutical's corporate vice-president for Europe, says countries around the world are trying desperately to contain soaring health care costs, but to date, no regulatory system has worked. Rogers was in SA last week on a brief visit to inspect Upjohn's Isando plant, which is being renovated but, for now, not expanded.

Says London-based Rogers: "Methods geared at regulating the supply and demand of health care in Europe and parts of North America — for example closing hospitals and having long waiting lists for minor surgery — have been particularly unsuccessful."

Expressing support for many of the recent proposals made by Health Minister Rina Venter to deregulate the medical and pharmaceutical industries, Rogers says there is an international trend towards having patients in the private sector accept a greater responsibility for their medical bills. This trend is likely to see the advent in SA of health maintenance organisations, which have cut medical costs by as much as 40% in some countries.

In this regard, Venter's proposed amendments to the Medical Schemes Act pave the way for medical schemes to provide health services — run hospitals and employ doctors and other practitioners. With this move, doctors' absolute discretion in providing health care would end.

The high cost of medicine locally has come under the spotlight in recent weeks. Government says medicine prices are higher here than in most Western countries and that medicines make up 26% of the benefits paid out to members of medical schemes. Rogers, whose company is the 10th largest pharmaceutical firm in the US, with more than US$3bn in sales last year, says that internationally, this figure is around 10%.



Rogers

He is of the opinion that many things could be done to reduce the cost of medicine in SA. "Government could reschedule certain drugs from prescription medicines to pharmacy-only medicines, provided they are safe for public use and can be safely used for long periods without referring back to doctors regularly." He says this was successfully done in the US with the painkiller Ibuprophen.

Pharmaceutical companies have long opposed the widespread use of generic-substitute medicines — unsuccessfully in the US and, so far, more successfully here — but Rogers says generic substitutes should be allowed, provided they meet the same standards as their branded and more expensive equivalents. He, nevertheless, stresses the importance of strict controls in the manufacturing and distribution process to guard against counterfeit medicine. He stresses that doctors should have the final say in prescribing branded or generic medicines.

It's long been argued that deregulating the pharmaceutical industry in SA is meaningless without allowing pharmacists to work for non-pharmacists. The idea is that retail stores, such as Pick 'n Pay and Clicks, could open their own pharmacies and use their buying power to discount medicines.

This happened in the US in the Seventies and prices came down drastically. Once again, Rogers says he's not opposed to this in SA, as long as controls can keep counterfeit medicine off the market and ensure the wide availability of medicine. ■

Govt slammed on medicines

KATHRYN STRACHAN

THE Pharmaceutical Manufacturers' Association accused government last week of stage-managing the forum held in February on the high cost of medicines to press home a perception that the cost of medicine in SA was the highest in the world.

"We reject this manipulation outright and also challenge the government to provide information proving its claim about the cost of medicine," said John Toerien, executive director of the association.

And the Department of Health has hit back, saying the pharmaceutical companies represented by the association are motivated by self interest, rather than by a need to control soaring costs.

"The forum is said, in a Press release from the Department of National Health, to have accepted substitution as a viable option to curtail the cost of medicine but to our knowledge, and we were present, there was nothing like that," said Toerien.

"In any event, the report-back from the working groups was insufficient to have had the evidence to come to this conclusion during the meeting."

According to Gerhardus Oberholster, acting deputy director-general of Health Planning, there are many medicines still covered by patent rights — which lead to higher prices.

And if these expensive brand-name medicines could be substituted by locally made generic equivalents it would go a long way to controlling the rocketing costs of medicines.

Oberholster said the department would provide sources to back its claims about costly medicine, but that health officials were first writing a draft report on the forum.

SADF reinstates 60-day service

DEFENCE Minister Roelf Meyer said at the weekend that 60-day military camps would be reintroduced as a result of escalating unrest, and warned that Citizen Force members ignoring such call-ups would be prosecuted.

STEPHANE BOTHMA

An SADF spokesman said yesterday that the announcement two years ago that camps would be reduced to 30 days from 60 had been "a conditional concession" and that the 60-day system had never been scrapped from the Defence Act.

Sapa reports that Meyer, speaking at a medal parade of the Hillcrest Regiment at Ellisras, also rejected claims by the End Conscription Campaign (ECC) that the prosecution of "draft dodgers" was taking place under an invalid law.

He said military service was still compulsory and would be enforced as such, despite "outright lies, distorted facts and rumours spread by anti-Defence Force organisations and people".

He said that once stability was sufficiently established in SA, he would not hesitate to reduce Citizen Force commitments.

Last week, 50 Citizen Force members of the Hillcrest Regiment were court martialled for failing to report for camps and were fined between R100 and R400.

The prosecution of the Hillcrest members led to criticism from ECC spokesman Chris de Villiers, who claimed the sudden spate of prosecutions by court martial was a devious and underhand attempt to harass and intimidate people liable for Citizen Force service.

"The resumption of prosecutions in this manner is a direct contradiction of the assurance given by Deputy Defence Minister Wynand Breytenbach that such prosecutions were being held in abeyance, pending changes to the Defence Act," De Villiers said.

He added that the issue of military call-up was sub judice in view of the ECC's application to the Supreme Court to have the whites-only call-up declared invalid.

He said that, according to ECC information, charges had been dropped in military courts against individuals who argued the sub judice rule, while other prosecutions continued before the same court.

De Villiers quoted Breytenbach as having said that prosecutions would be unfair under the present circumstances.

"Either Breytenbach misled the public in making his original statement or he is being made a fool of by the SADF, which scarcely conceals its contempt for Defence Minister Roelf Meyer and his non-military officials," De Villiers said.

In his address at Ellisras, Meyer said the system of compulsory military service would change in the future but it would be wrong to run any risk while the SADF was responsible for ensuring stability in co-operation with the police.

"It is so that inequalities will have to be adressed in the future. However, the system can only be revised once the consitution has been revised," Meyer said.

†Mr J J LEMMER: Mr Chairman, further arising from the hon the Deputy Minister's reply, does he possibly know where "doctor" is?

†The DEPUTY MINISTER (Dr T G Alant): He is sitting in some dark corner writing.

Pension/provident funds: handling by private sector

*3. Mr B B GOODALL asked the Minister of Finance:

(1) What percentage of the funds available for investment in the public sector's pension and provident funds is being handled by the private sector;

(2) whether the said funds are subject to or are to be subject to the investment guidelines laid down for private sector pension funds; if not, to what guidelines are they or are they to be subject?

B410E

†The DEPUTY MINISTER OF FINANCE (Dr T G Alant):

(1) At this stage, about 7% of the funds available for investment in the public sector pension funds is being handled by the private sector.

(2) The said funds are at this stage not subject to the investment guidelines laid down for private sector pension funds. The funds are being handled strictly in accordance with the provisions of the Public Investment Commissioners Act.

†Mr J H VAN DER MERWE: Mr Chairman, arising from the hon the Deputy Minister's reply, can he perhaps tell us where the hon the State President is at present.

†The CHAIRMAN OF THE HOUSE: Order! No, that does not arise from the hon the Deputy Minister's reply. [Interjections.]

Child witnesses: protection

*4. Mr M J ELLIS asked the Minister of Justice:

Whether any provision has recently been made for the protection of child witnesses; if not, (a) why not and (b) when will such provision be made; if so, (i) when, (ii) in terms of what statutory provisions and/or regulations and (iii) what is the purport of the provision so made?

B411E

The DEPUTY MINISTER OF JUSTICE:

Yes.

(a) and (b) Fall away.

(i) and (ii) The Criminal Law Amendment Act, 1991 (Act 135 of 1991), was assented to on 27 June 1991. Section 170A of the Criminal Procedure Act, 1977 (Act 51 of 1977), is inserted by section 3 of the Amendment Act. The Amendment Act will, in so far as it relates to the protection of child witnesses, be put into operation as soon as all the administrative steps have been finalized.

(iii) Section 170A of the Criminal Procedure Act, 1977, provides, *inter alia*, that whenever criminal proceedings are pending before a court and it appears to such court that it would expose any witness under the age of eighteen years to undue mental stress or suffering if he testifies at such proceedings, the court may appoint a competent person as an intermediary in order to enable such witness to give his evidence through that intermediary. The court may direct that such evidence may be given in another room, provided that the witness and the intermediary are visible and audible by the court and other persons, such as the accused. The section provides further that if a court has appointed an intermediary, all questions to such witness, except questions by the court, should be directed through the intermediary.

Pharmacy Act: managing directors

*5. Mr M J ELLIS asked the Minister of National Health:

(1) Whether she has received any representations for the amendment of the provisions of the Pharmacy Act, No 53 of 1974, relating to the position of a managing director in terms of the recommendations contained in the Browne Commission Report; if so, from whom;

(2) whether she intends taking steps to implement the relevant recommendations; if not, why not; if so, (a) what steps will be taken and (b) when?

B412E

The MINISTER OF NATIONAL HEALTH:

(1) No,

(2) no, according to the White Paper on the Browne Commission's Report the matter

cont . .

was referred to the Pharmacy Council for its recommendation. No recommendation has yet been received.

INTERPELLATION

The sign * indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language.

Own Affairs:

Pupils compelled to attend private/state-aided schools

*Mr A GERBER asked the Minister of Education and Culture:

(1) Whether he is going to compel any pupils of school-going age to attend private schools or state-aided schools in cases where no ordinary public state schools are situated within reasonable reach;

(2) whether he will make a statement on the matter?

B417E.INT

*The MINISTER OF EDUCATION AND CULTURE: Mr Chairman, compulsory school attendance is prescribed in section 53 of the Education Affairs Act, Act 70 of 1988. The conversion of state schools to state-aided schools entails no change to the principle or the practice of compulsory school attendance. Compulsory education can be undergone in any school which is officially recognised by the department. The Minister does not force anyone to attend a specific school for fulfilment of compulsory school attendance. The concept "within reasonable distance" is relative. What might, for example, be "near" in rural terms, might be far for a city child.

The availability of transport and accommodation also makes a difference. The conversion or non-conversion of state schools to state-aided schools, depends on parental choice. Indications are that in the foreseeable future there will still be a choice of various types of schools available. In order to facilitate making a choice, school bus transport and hostel facilities are still available. As a matter of fact more than 8 000 places in hostels are available. Needy pupils will continue to receive transport bursaries according to existing sliding-scales at least until the end of 1993. The department will continue to grant bursaries for boarding on the same basis as at present. The reply to the question, therefore, is "no".

*Mr A GERBER: Mr Chairman, I have serious problems with the standpoint that a government may enforce compulsory school attendance as well as compulsory tuition fees. In my opinion these are two irreconcilables. A government is not allowed to compel people to make use of a service which has to be paid for. But what is more, a government may not abolish the normal public state schools, as it is doing now, and then compel parents to provide their children with formal education.

That is exactly what is happening in South Africa at the moment with regard to the White section of the population. As from 1 April there will hardly be any public state schools for Whites in South Africa. The State is phasing out its responsibility to provide state schools.

At the same time, however, it is enforcing compulsory school attendance on White pupils. Hon members must understand that I am very strongly in favour of compulsory school attendance. It is one of the most important reasons why our nation has developed to the present level. However, I also say that we cannot enforce compulsory school attendance if we force people to pay for it. [Interjections.]

The Government's decision to do away with normal public state schools will ultimately—and the day is not far off—lead to education becoming for the most part the financial responsibility of the local community. Furthermore, it will lead to compulsory school attendance falling by the wayside, to the detriment of our people. We are headed for a situation in which only the rich will be able to provide their children with a proper secondary and tertiary education. I should like to put a few questions to the hon Minister in this respect.

It is alleged that at a meeting on education in Kimberley he ostensibly said that controlling bodies of model-C schools—ie state-aided schools—may not expel pupils if their parents refuse to pay. If that is true, I ask the hon Minister to repeat it to us here, so that parent communities in South Africa can know that they only have a moral duty to pay those fees.

Secondly, I want to ask whose responsibility it will be in future to enforce school attendance. Is

cont . . P

Rina Venter quizzed over report which 'didn't exist'

Staff Reporter

The Pharmaceutical Manufacturers' Association (PMA) yesterday called on National Health Minister Dr Rina Venter to release a report on the cost of medicines which she has said "doesn't exist" or "is incomplete".

The PMA made the call after a financial magazine this week quoted extensively from the De Villiers Report into Privatisation and the Cost of Medicine, compiled by the late Dr Wim de Villiers, the former Minister of Economic Co-ordination.

PMA executive director John Toerien said yesterday Dr Venter had told Democratic Party MP Mike Ellis last year in Parliament, by way of an interjection, that the De Villiers report did not exist.

He said this year she told Mr Ellis, also in Parliament, that the Cabinet had decided not to release the report as Dr de Villiers had died before it was complete.

Mr Toerien said since the report was not available to the public, the PMA was not able to comment directly on aspects raised in the magazine until Dr Venter lifted the confidential tag.



Dr Venter . . . asked to explain discrepancy.

"The Minister also needs to explain why she told Parliament one thing when she must have already known that the report, whether it was incomplete or not, actually existed," he said.

"The fact that portions of it have now been published makes it imperative that role players in the health care debate, as well as the media, be provided wth copies so that privatisation and the alleged high costs of medicines can be placed in perspective."

Dr Venter could not be reached for comment last night.

Get to know your drugs

(96) Mail 3/4 = 9/4/92

CRITICAL CONSUMER

Pat Sidley's weekly advice on what to buy ... and what to avoid



THE *Reader's Digest,* together with the Medical Association of South Africa, has published a *Guide to Medicine and Drugs* intended as a family reference book to help laypeople understand the drugs they are taking.

At R94,58 its readership will be limited, which is a pity as the book gives useful basic facts to consumers who otherwise would have to rely on often more limited information given by "health professionals".

The compilers of the book have selected 199 drugs — both prescription and over the counter — and given a fairly thorough explanation of each one, its effects, side-effects, special precautions to be taken and other useful bits of information.

The basis for selecting the 199 drugs is not clear. There are many in frequent use, some of them controversial, that the book does not cover. For example, consumers may have benefited from reasonably independent information on the sleeping pill Halcion. Another notable omission is the group of anti-cholesterol drugs, especially as a number of population groups in South Africa are prone to high cholesterol.

An early chapter provides a broad outline of how different drugs work on various parts of the body and in the treatment of diseases. There are also several indices so consumers can easily find the drug they are looking for.

What the book does not do, however, is warn consumers about dangerous, ineffective or expensive drugs. Nor does it advise consumers on how to deal with their doctors if they have questions about the medication they are taking.

These types of questions are raised in books published abroad. In the United States, for instance, several books are available with such titles as *Pills That Don't Work* and *Over the Counter Pills That Don't Work* — both of which give a comprehensive guide to medication available to millions of consumers but which may not deserve the place in the market they have.

In the United Kingdom, a book called *The Wrong Kind of Medicine,* by Charles Medawar, provides the same kind of information for British consumers.

Not every doctor, pharmacist or pharmaceutical company is crooked, but many in the business of selling drugs have profit as their highest priority. Many doctors are simply too busy to research independently the medications they prescribe. And they often fail to explain to their patients what the drug does and why they have prescribed it.

Besides, some doctors, pharmacists and pharmaceutical companies seem to believe that as soon as a consumer reads about a side-effect, he or she will develop it.

The *Reader's Digest* book gives useful hints about the storage of drugs, drug dependence, how to take medication and what happens if one misses a dose.

Should the consumer need to know, for example, about his or her heart and circulatory system and a medication prescribed, this is adequately dealt with, though with the presumption that the reader knows a fair bit about the subject.

The book has pictures of pills so that consumers can identify them if there are no labels on the containers. It also lists generic and brand-name drugs.

If, for instance, a consumer has been prescribed Inderal, he or she will find it under its generic name. There is a description of what the drug is used for, a list of potential side-effects, whether it is safe during pregnancy or when breastfeeding, whether it is suitable for children and if it is available as a generic.

The books published abroad discuss the virtues — or lack thereof — of the drug, and also draw attention to the fact that a cheaper version than the brand-name medication is available.

Sinutab, an over-the-counter drug, was recently heavily promoted on local TV. *Over the Counter Pills That Don't Work* states that this drug is neither safe nor effective, and suggests alternative treatments.

The *Reader's Digest* book, on the other hand, lists Sinutab in its index and refers readers to two different components of the drug, but does not mention that it is unsafe and ineffective.

I looked up in the *Reader's Digest* book a series of drugs I had recently been prescribed and discovered that my "health professional" had neglected to mention a few side-effects from which I had suffered.

Despite its shortfalls, the book is a useful addition to the library shelf as it contains clear and useful information seldom found in package inserts.

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Waste at Cape hospital chemists slammed

(96) CT 8/4/92

STAFF shortages in hospital pharmacies led to "unethical behaviour, waste and unacceptably inadequate control over very expensive and sometimes dangerous medicines", Port Elizabeth Central MP Mr Eddie Trent said yesterday.

And, he emphasised, all the evidence pointed to money being wasted rather than saved as a result of the shortage of staff.

Mr Trent noted that although the state was the single largest purchaser of medicine, only 12,3% of the total number of registered pharmacists were employed by the public sector.

These pharmacists were handling approximately 80%, by volumne, of medicines used used in South Africa. "This ratio is ridiculous."

The outpatient pharmacy facilities at Groote Schuur Hospital were "grossly inadequate", Mr Trent said in a statement. "Any visitor to the pharmacy on the ground floor of the out-patient block on any Tuesday or Wednesday just before lunchtime will see long queues of patients standing in a line at the dispensary hatch."

Mr Trent, who has conducted a survey of conditions at hospitals throughout the Cape, said that "ethical rule No 1" of the Pharmacy Act expected a pharmacist adequately to counsel each patient on the correct use of his or her medicines.

"The reality at peak hours at this and every other hospital in the Cape is that most patients are processed as fast as it is possible to process them merely to get them going."

Meiring hits at red tape

CT 8/4/92

By ANTHONY JOHNSON
Political Correspondent

CAPE ADMINISTRATOR Mr Kobus Meiring yesterday slammed the unnecessary duplication and red tape created by the "extremely unsatisfactory" relationship between strong central and toothless provincial governments in South Africa.

The current system also created confusion among both officials and the public, he told Parliament during the debate on the Cape Province's budget yesterday.

Mr Meiring said the current dispensation "certainly does not contribute to efficient service or to community confidence in adminstrative process or government".

He said the four provincial administrations were not governing bodies in the true sense of the word but merely administrative arms of the central government.

He was thankful that the most important role-players in designing the new constitution were underlining the importance of strong and autonomous regional government.

These arms of government should be financially independent and democratically elected. "They should generate their own sources of income, supplemented by statutory, fixed-formula treasury contributions."

Self-defence plea in fatal stabbing

Staff Reporter

HE had stabbed a man in self-defence as he was grabbed from behind and heard a knife clicking

Contraceptives on tap

MORE than 1 600 retail pharmacists will be able to supply the contraceptive pill soon if they take a family planning course developed by the Department of National Health and Population Development. Qualifying pharmacists will be able to offer the pill free of charge, but may charge a professional fee for supplying it if they take clients' medical histories into account. (96)

BI Diary 9/4/92

Mixed reaction to free Pill move

STAR 10/4/92

Pretoria Correspondent

The distribution of free oral contraceptives by pharmacists has met with mixed reaction.

The Pharmacy Council yesterday welcomed the decision by the Department of National Health and Population Development, and has praised the department for its "insight in involving pharmacists in primary health care".

"We wholeheartedly support the decision," said Pharmacy Council manager for education Michael Herbst.

He said the council was in favour of involving pharmacists in primary health care and family planning was a step in that direction.

The Medical Association of SA (Masa) has objected to the move, saying pharamacists do not possess the necessary medical training to safely prescribe these contraceptives — in spite of having completed the training course developed by the Department of National Health and Population Development in conjunction with the University of Potchefstroom.

"Although pharmacists may improve access to family planning, Masa is doubtful whether their involvement will have a positive impact on the level of care offered to the public in this regard," said director of professional services at Masa Dr Martin de Villiers.

Praising the move, Women's Bureau of South Africa director Margaret Lessing said: "As a member of the Brown Commission of Inquiry into Health Services, I welcome this."

Prolife spokesman Dr Claude Newbury said: "The Pill (produces) early abortions by preventing implantation of the 10-day old embryo into the lining of the womb.

"We therefore have difficulty accepting a move whereby birth control is given to children without parental knowledge and consent," he said.

"We also believe a drug as powerful and with as many acknowledged side-effects and complications as the Pill should not be made available to people without medical examination."

The reaction followed a decision by the Department of National Health and Population Development to allow more than 1 600 pharmacists who have completed a family planning course to supply the Pill under certain conditions.

These include taking a medical history from the client, monitoring blood pressure and referring the client to a medical doctor or clinic for an examination within a year of commencing oral contraception.

Although the contraceptives ordered by the pharmacists from provincial authorities are free, pharmacists can charge a professional fee of R3.

The service would only be available from June 1.

Children saw mob hack mother to death

STAR 9/14/92

By Bronwyn Wilkinson

Every night, 83-year-old Maria Sibanda watches her terrified neighbours seek sanctuary at the council offices overlooking the Zonke'zizwe squatter camp.

When the neighbours leave, Mrs Sibanda and her three grandchildren huddle together in the shack where the children saw their mother murdered by a mob on Monday night.

Cuddling 18-month-old orphan Simpiwe, Mrs Sibanda said yesterday: "I am very scared, but I cannot leave this house until my daughter is buried."

Since Monday night, when about 100 men armed with guns, knifes and makeshift weapons stormed through the street at the end of the squatter settlement, killing four people and injuring at least 13, terrified families have taken refuge at the TPA offices nearby.

But by tradition and their religion Mrs Sibanda and close relatives of the victims may not leave their homes until the funeral.



Nights of terror . . . Maria Sibanda (83) cuddles her grand-daughter Simpiwe. Picture: George Mashinini.

"If they come again, I will surely die," she said.

She said the family was asleep when they heard shouting and shooting.

"They bashed into our house and found me, demanding to see the man of the house."

One man found the children in another room. "He grabbed the children and another man said in Xhosa: 'Don't kill them, just burn them'."

When the children's mother, Sara, tried to protect them, the attackers stabbed and hacked her to death.

Yesterday, across the street from Mrs Sibanda's shack were the remains of two razed homes.

All the houses and cars in the street had smashed windows and bullet holes.

Police moved from shack to shack taking statements.

Across the street from Mrs Sibanda is the shack of Mi shak Modise.

His brother Rufus was murdered when two men burst into the house and found him hiding in a cupboard. They stabbed him to death while his brother and mother-in-law Elisa Marumde (90) hid under a bed.

"I do not know why they are killing us," said Mrs Marumde. "We have always lived as one nation here."

Other residents said that Zonke'zizwe (which means "all the nations") was a special place because Zulus, Xhosas and Sothos lived in harmony.

Last year, said Pauleen Mofokeng, fighting erupted between Zulus and Xhosas. "But then it was quiet until this."

Most residents believed the attack was carried out by "outsiders" who did not want to see Zulus and Xhosas living in peace.

Pharmacists can supply Pill free

96

STAR 9/14/92

Pretoria Correspondent

More than 1 600 pharmacists will, in future, be able to supply the contraceptive pill free of charge.

Pharmacists qualifying to offer the Pill at no cost must have completed the family planning course and have applied to the Department of National Health and Population Development for certificates to enable them to supply the Pill.

The family planning course completed by 1 625 retail pharmacists during 1991 was run in conjunction with Potchefstroom University.

Qualifying pharmacists will be able to order oral contraceptive supplies from provincial authorities and offer these contraceptives to clients free of charge.

However, pharmacists will be able to charge a professional fee as they will be required to take a medical history of the client, monitor the client's blood pressure, and refer a client to a medical doctor or clinic for a full medical examination.

This project is part of the department's policy to bring primary health care to the majority of South Africans, and increase the availability and accessibility to contraceptive services within the community.

Family planning (96) at pharmacies

Sowetan 16/4/92

THE Government has begun distributing oral contraceptives to 1 625 pharmacists who will start dispensing them to State patients from June 1 this year.

By TSALE MAKAM

The executive director of the South African Association of Retail Pharmacists, Mr Dave Pleaner, said State patients could now receive their contraceptives at pharmacies free of charge or for a nominal professional fee of up to R3,80.

Previously, pharmacists could dispense contraceptives only to private patients with prescriptions from their doctors. They could not prescribe or dispense to State patients.

Pleaner said patients employed by the private sector had to pay the normal rate for the contraceptives plus the nominal fee "which covered medical histories and determination of contra-indications".

To render this service, pharmacists should complete a post-qualification family planning course. They should also register with the Department of Health and Family Planning.

Some find Pill hard to swallow

City Pres 19/4/92 (96)

By NOMVULA KHALO

SOUTH African pharmacies will be allowed to issue the Pill from June, but this does not seem to please everyone.

Those who have a prescription will pay for the pills plus another R3,80 – the fee for a professional check on their records.

Those who bypass doctors and go straight to the pharmacy will only be charged the check-up fee. The contraceptives will be free.

Executive director of the Pharmaceutical Society of SA, Boet van der Merwe, said there will be a private room at every pharmacy where a trained person will question the person wanting contraception. There will be no physical examination.

Director of the Planned Parenthood Association, Beverly Oskowitz, said her organisation believes contraception should be "accessible and available to all people of a reproductive age".

She said pharmacists should be able to select the correct contraceptive, give good advice, and warn of possible side-effects.

A doctor in private practice was alarmed at the prospect.

He told City Pres: "This is going to kill the medical profession. Some women need to be examined before a contraceptive can be recommended. This new plan promotes pharmacists to doctors.

"I think the plan should be stopped, and the professionals allowed to do their job.

"Teenagers can contact their local family planning clinic or family doctor to find out what contraceptive to use."

A gynaecologist at Baragwanath Hospital welcomed the scheme.

"It won't disturb gynaecologists because a patient can always come to us for help if they have a problem," he said.

A mother of three teenagers said: "I feel a bit uncomfortable about the new plan because our children will go running to the pharmacies without telling their parents."

She said it was right for pharmacies to issue free contraceptives, but wrong if the children did not know enough about contraception.

"I think parents should discuss contraception with their children," she said.







As key players in the health care field, the Pharmaceutical Manufacturers' Association organised a symposium to discuss future health care options for the country. There was a wide representation of opinion from political organisations such as the ANC and the PAC to business. Hungary's Permanent Secretary in the Ministry of Health and Welfare, Dr András Jávor (left) spoke on health care in the rapidly changing Eastern Bloc.

Dr Selva Saman (bottom left), the Pan-Africanist Congress secretary for health, and PMA president Dr Hugo Snyckers (bottom right), were also among the speakers at the symposium.

Acceptance of overseas papers has pros and cons

In 1989 the PMA first recommended to the Medicines Control Council (MCC) that the possibility of the acceptance of overseas registrations be investigated with a view to preventing unnecessary duplication of registration submissions and to obtain cost benefits and savings which would eventually be to the advantage of the patient.

This proposal led to some lively discussions of the advantages and possible disadvantages of acceptance by the MCC of the registration certificates issued in certain overseas countries.

On the one hand there would be cost savings.

On the other it was felt that South Africa should not lose its expertise in the evaluation of applications for the registration of medicines by allowing the MCC to grant registration automatically on the strength of a registration certificate issued by some overseas authority.

It was pointed out, however, that at least some applications would have to be evaluated *ab initio* by the MCC because these medicines would not be registered in any overseas country.

In 1991 it was disclosed that the MCC would be prepared to review applications for registration presented in the format required in the European Community as interpreted by the MCA in the United Kingdom.

This would obviate the need to reformulate an application already submitted in the UK, for submission in South Africa.

This was, the PMA says, a major step towards the rationalisation of registration procedures. It does, however, not entail the automatic acceptance of a registration certificate issued in the United Kingdom.

The PMA believes the globalisation of registration of medicines and the international harmonisation of registration procedures will have distinct advantages.

Adherence to standards agreed upon internationally would ensure that the registration of medicines would be maintained at a high standard.



Health care for all . . . that's the aim, but the role of the economy will have to be very carefully considered.

Bold step at AGM tomorrow

STAR 23/4/92 (93) (96)

Tomorrow marks the 25th anniversary of the founding of the Pharmaceutical Manufacturers' Association of South Africa.

A merger of the Ethical Drug Association and the SA Pharmaceutical Manufacturers' Association unified all the interests in pharmaceutical manufacturing in South Africa.

It was necessary in view of the provisions contained within the Medicines and Related Substances Control Act (Act 101 of 1965) and to "promote at all times the highest standards of manufacturing and marketing for the pharmaceutical industry to ensure that products of the highest quality are readily available".

Apart from a short period during which the PMA changed its name to embrace the chemical industry — the name chosen was "Pharmaceutical and Chemical Manufacturers' Association of South Africa" — the PMA has served 85 percent in value turnover of the industry as industry spokesman and industry watchdog.

The Executive Council is representative of manufacturers connected with multinationals and of locally financed organisations. The council meets on a regular basis in Pretoria, with one meeting a year taking place during the parliamentary session in Cape Town.

To assist the Executive Council, there are a number of Expert Committees, responsible for studying policy issues and making recommendations.

The committees also study issues of an administrative nature affecting the daily operations of the ethical prescription industry.

It is appropriate that, in its 25th year, the PMA is embarking on another bold step which will entrench the organisation as the industry leader in every respect.

At the Annual General Meeting tomorrow motions are being put forward to merge the PMA interest with a number of other groups. The changing of the PMA's constitution is important because, in international terms, the association needs to present a strong and unified face as an industry.

The PMA will be divided into various divisions including:

- Pharmaceutical
- Non-prescription medicines and Cosmetics
- Diagnostics
- Medical Devices, and
- Veterinary Medicines.

Provision has been made in terms of the new constitution for Associate, Subscribing and Honorary members.

The fee structure of the restructured Association will be based on a sliding scale, according to turnover, to enable both small and large companies to join.

It is hoped that this provision will enable smaller companies to participate in organised industry.

It is believed that companies involved in all the divisions will make use of this facility.

A feature of the proposed change over tomorrow is that Dr Hugo Snyckers, the PMA president, and John Toerien, the executive director, were also present at the Constitutional meeting which established the Association on May 12, 1967.

Dr Snyckers, who is the PMA's longest-serving president, was representing his company and Mr Toerien was there in his capacity as executive director of the former South African Pharmaceutical Manufacturers' Association.

Mr Toerien's unbroken service with both the SAPMA and the PMASA began on June 1, 1962 — almost 30 years' service to the pharmaceutical manufacturing industry.

All the members – from A to W

STAR 23/4/92

96.

The following companies are members of the Pharmaceutical Manufacturers' Association (PMA):

Abbott Laboratories
Adcock Ingram Ltd
Akromed Products
Alcon Laboratories
Bayer-Miles
Berlimed
Boehringer Ingelheim
Boehringer Mannheim
Bristol-Myers Squibb
Byk Gulden Pharmaceuticals
Ciba-Geigy
Eli Lilly
Fisons Pharmaceuticals
Glaxo
Hoechst SA
ICI South Africa
IEPSA
Janssen Pharmaceuticals
Lederle Laboratory Division
Logos Pharmaceuticals
Madaus Pharmaceuticals
Merck
Noristan Ltd
Novo Industrials (Pharmaceuticals)
Parke-Davis division of Warner Lambert
Pfizer Laboratories
Permark International
R & C Pharmaceuticals
Riker Laboratories Africa
Roche Products
Roussel Laboratories
SA Druggists
Sandoz Products
Saphar-Med
Scherag
G D Searle (SA)
Servier Laboratories
SmithKline Beecham Pharmaceuticals
Swisspharm
Boots Pharmaceuticals
Upjohn
Knoll SA
Rhone-Paulene Rorer SA
Wellcome

PMA aims to serve public and members

The Pharmaceutical Manufacturers Association (PMA) was formed in 1967. It aims:

- To promote the highest standards of manufacturing and marketing as a service to the medical, dental, pharmaceutical and veterinary professions and the public, and to this end, among other things:
- To prepare and maintain codes of ethics to ensure that the manufacturing and marketing practices of the pharmaceutical industry would best serve the public and the medical and allied professions.
- To promote and encourage the interchange of knowledge and ideas for the betterment of the industry and its services.
- To foster and safeguard mutually constructive and satisfactory relations and to promote and protect the business and/or economic interests, privileges and rights of its members provided that it shall not concern itself with the domestic affairs of the individual trading policies of its members.
- To co-operate with legislative committees, governmental departments and agencies, medical, dental, veterinary and pharmaceutical organisations and other bodies in respect of matters affecting the industry and to represent and speak for the industry whenever required.
- To promote among its members a spirit of co-operation.

Unpublished report on medicines to remain a secret

(96)
ARG 29/4/92

THE report by the late Dr Wim de Villiers on the high cost of medicines had been unfinished and unedited at the time of his death and would not be made public, the Minister of Health, Dr Rina Venter, said.

Replying to debate on her Budget Vote, she said she would give the DP MP for Durban North Mr Mike Ellis a copy on a confidential basis.

Earlier, Mr Ellis had called for the report to be made public.

"I do not have a finished report and that is the truth," she said.

Dr De Villiers had died leaving three unfinished, unedited pieces of the report.

"I discussed it with him before he died and he indicated he was not ready to publish, even the three sections."

Earlier Mr Ellis said: "I have it on good authority that the report is 190 pages long, and page 190 itself contains eight recommendations on how to curtail the cost of medicines," he said.

The debate on the cost of medicines had to be an open, honest one, and this could only be the case if both sides had access to all relevant documentation.

Mr Rodney Rhoda (NP Silvertown) said more attention should be given to the promotion of responsible self-medication. — Sapa

Medicines racket now in the city

(96) CT 5/5/92

By GLYNNIS UNDERHILL

BLACK marketeers running a multi-million rand network dealing in stolen medicines have extended their operation to the Cape Town area, says the SA Pharmacy Council.

A high-powered task force made up of police from the SA Narcotics Bureau and the pharmaceutical industry are investigating the countrywide network.

Professor Johan van der Walt, president of the council, said the racket, organised by sophisticated crime syndicates, involved stealing medicines, relabelling medicines, illegally producing medicines, and fraud.

"I will have to be vague about the details because I don't want to jeopardise the investigation," he said.

The industry task force, which was set up last August, had had "quite a lot of success", said Professor Van der Walt. Its findings would only be completed toward the end of the year.

Mr Wolf Furst, executive director of the National Association of Pharmaceutical Wholesalers, said that state provincial hospitals were a "major target" for the scam.

Tygerberg Hospital superintendent Dr Peter Strauss said that medicines valued at R7 000 had disappeared from the hospital last year.

The stolen medicines had been those used to treat gastric diseases and duodenal ulcers, he said.

Stricter control measures had since been introduced.

The superintendent of Groote Schuur Hospital, Dr Jocelyn Kane-Berman, said an in-depth investigation into pharmacy theft last year did not reveal major losses but indicated that pilfering was restricted to ointments such as betadine and non-prescription drugs.

She said it would be difficult to calculate the exact amount of the losses, but it was thought it was not more than a few thousand rands.

Colonel Müller Haggard, commander of the Narcotics Bureau in Cape Town, confirmed that the bureau was investigating the bulk theft of medicines by syndicates in South Africa.

Course set to help chemists

Sowetan 7/5/92 (96)

By JOSHUA RABOROKO

THE annual Pharmacist's Management Development Programme is again being held from May 17 by the Wits Business School's Centre for Developing Business.

The course, which is sponsored by GD Searle (SA) Pty Ltd, is free to any pharmacist who has an interest in retail pharmacy, according to the course coordinator, Mr Barney Tsita.

The mission is to promote the development of individual entrepreneurial and managerial skills of those wishing to increase their direct participation in the economy.

Previous programmes have been attended by pharmacists already in business, recently qualified pharmacists and those employed by hospitals.

Tsita said: "The objective of the course is to provide an overview of strategic business planning and an understanding of the planning process as it relates to a retail pharmacy.

"Participants work through a step by step analysis of how to identify important long-term goals and how to achieve them," he added.

Key areas that will be covered include;

- key variables which determine the viability of a business;
- understanding markets and marketing;
- how to determine the financial requirements of a business;
- sources of funding; and;
- developing a business plan.

This programme has been welcomed by the pharmaceutical industry as business related topics are not covered in the academic training of the field.

Those interested in attending the programme should contact Tsita on (011) 643-3241 for further information.

Pharmacist shortage

THE chronic shortage of qualified pharmacists at hospitals had resulted in a major ethical problem, because unqualified people were now dispensing dangerous drugs, Port Elizabeth Central MP Eddie Trent said yesterday.

Speaking during the own affairs health budget, Mr Trent said only 12,3% of the total registered pharmacists were employed by the public sector, while they dispensed more than 80% of the country's medicines.

(96) ET 12/5/92

"At Livingstone Hospital 15 of the 18 pharmacists have left."

Assuredly, it was inevitable

STAR 14/5/92

Spiralling medical costs have made it inevitable that life assurers would enter the health care market.

So says Yves D'Halluin, executive director, Individual Business at Liberty Life.

The company's entry into the market has paid off handsomely — in the four months following the launch of their "medical lifestyle" in August last year, Liberty Life sold 50 000 policies.

"Health care is no longer the preserve of the medical aids," says Mr Halluin.

"Medical expenses are soaring above inflation, the gap between medical expenses and the amounts paid out by medical aid schemes is widening all the time and the State lacks the funds to provide the required level of health care.

"Our market, the upper income group, have become dissatisfied with the value for money they have been receiving from medical aids and are turning to insurance-type products to provide the coverage they are looking for."

He believes the potential for the health insurance market is enormous and runs into billions of rands. This includes the expenditure by medical aids (R6 billion), the self-insured market (R3,6 billion) and the state (R8 billion).



Yves D'Halluin ... health care is no longer the preserve of the medical aids.

Money

"We estimate the health insurance market to be four or five times bigger than the life assurance market and its growth rate in excess of 25 percent per annum.

"Health care products are certainly affordable because the money is already being spent. We believe that South Africa is following the same trends as the USA where health insurance forms a large proportion of the long-term insurance industry," says Mr Halluin.

Old Mutual's employee benefits manager Lindsay Walker says that a similar situation is developing in South Africa to that being experienced in the USA, with many smaller employers no longer offering health benefits, leaving individuals to pay for themselves.

He added: "The graph of the cost to the employer for the funding of retirement benefits has remained fairly constant as a percentage of overall salary for the past 10 years, while that for health benefits funding has rocketed.

"Smaller employers are going to be squeezed out of providing health benefits, while others will be hard pressed to maintain their current level of benefits.

"Over the past two years membership of medical aid schemes has been stable. However, recently there has been a slight decline, indicating that people cannot afford to join," he said.

As the funding of comprehensive cover becomes more and more expensive, a growing number of employers will be providing only basic cover.

"In this event, a person wanting a high standard of medical care is going to have to meet the expense himself, or ensure he is adequately covered by an individual policy," says Mr Walker.

Individuals buying into medical aid schemes are finding rates high and increases sometimes as much as 70-80 percent. In some cases these people choose to opt out of the medical aid system altogether and move into medical insurance.

"The medical aid schemes pick up the majority of the members' medical expenses — sometimes 100 percent of the costs.

"Higher earners and those who use medical services less tend to subsidise lower earners and high use members.

"On the other hand, insurance does not cover the member for everyday medical expenses such as a visit to the doctor for a cold.

"Insurance comes into effect only when the medical costs rise above a certain level or when the member has suffered a catastrophe such as a heart attack or car accident," says Mr Walker.

Stoffel Burger, deputy general manager of Fedlife's Industrial Benefits division, says:

"If a client wants to be insured for hospitalisation, we would enter into a contract which would specify the basic daily benefit amount payable, eg R300. He would then be charged the cost of this benefit."

Expensive

The system of risk-rating — where clients pay according to their "health risk" — protects the company against massive claims.

"Hospitalisation, intensive care and surgery are the most expensive benefits and medical schemes generally do not cover them adequately," says Mr Burger.

However, medical aid schemes charge that the "playing fields are not level", saying they are obliged to accept all risks and that they end up with a majority of members who have health problems, namely the elderly or infirm.

Doctors, Govt clash over amendments

STAR 14/5/92

Doctors and the Government disagree over certain aspects of proposed amendments to the Medical Schemes Act.

The idea of the Bill, which was published by the Minister last year, is to create incentive to control rising health care costs.

One of the proposals would permit medical aid schemes to contract only with doctors or medical services prepared to operate within affordable rates in so-called Health Maintenance Organisations.

Medical Association of South Africa (Masa) secretary general Dr Hendrik Hanekom says:

"While we agree that every effort should be made to render private health care more affordable, we don't think the Bill will achieve this.

"It is not in the interest of the poor and the elderly and it will limit the choice of doctors, dentists, pharmacists and other health professionals."

Masa objects to the Bill because it believes certain crucial issues have not been resolved.

Masa is concerned that the Bill will result in the removal of the protection provided to retired members who are currently entitled to continued membership of medical schemes.

The amendment may limit medical aid cover, which means contributing members run a greater risk of not being able to afford the necessary health care.

It could also lead to risk-rating of patients, and preference being given to young, healthy financially active contributors due to the removal of the medical aid scheme's obligation to provide certain minimum benefits.

"Masa will be able to support amendments to this legislation only if the responsibility of both medical schemes and of the state in assuring health care for patients who may suffer financial hardship as a result, has been spelt out," says Dr Hanekom.

Masa believes the ideal health system should be an affordable, non-racial comprehensive effective, unitary system to which all have the right of equal access.

Says Dr Hanekom: "It is unlikely that a restructured health care system for South Africa will involve only one method of funding and providing health-care services, therefore Masa is looking at all options including fee-for-service, managed health care and a National Health Insurance Fund.

"The review and restructuring of the health system must take place in accordance with the unique and divergent needs of SA's people and resources."

On the subject of Health Management Organisations, Masa says improved management of health care resources is of critical importance, but stresses that this should in no way compromise the patient's interests.

"Health care professionals should also neither directly or indirectly be not prevented from doing what is best for the patient.

"In order to involve the health care professions in the management of resources, Health Management Organisations may assume various forms.

"Professionals could be employed or contracted with, to provide services.

"Changes to the legislation are under way which will permit the formation of multi-speciality or multi-professional practices, where doctors, nurses, dentists and other health care professional can get together, share resources and compete with Health Management Organisations to provide a cost-efficient service," says Dr Hanekom.

He argues that if medical aids are allowed to create Health Management Organisations prior to the deregulation of the profession, it will create structural inefficiencies and irregularities in the health system.

Masa is reviewing a national health insurance system as an attempt to defuse the crisis in health care.

However, it is keen that it should not undermine the role played by medical aids — a system which they say is founded on basically sound principles.

'Market-driven' approach needed

STAR 14/5/92

The time has come to end bureaucratic-based funding of health care, according to one of South Africa's largest medical aid scheme administrators, AMA.

Chief executive officer Timothy Gelman says a market-driven approach is needed, providing a range of services that cater for tailor-made health care solutions with an awareness of the real cost of treatment.

"We have a private medical system which is excellent by world standards. Our solutions must retain this excellence while increasing the base and accessibility of it," says Mr Gelman.

He says part of the solution is the introduction of Heath Maintenance Organisations.

The concept involves a monthly prepaid subscription by members in return for a full range of benefits and services rendered by a group of medical and paramedical practitioners, often sharing facilities.

"We believe this could provide huge benefits to everyone in the health care chain.

"It would dramatically increase the cost efficiency of medical services and share responsibility for cost effective health care amongst practitioners, funders and members," says Mr Gelman.

AMA marketing director Ray Welman says the cost of medical scheme cover has increased across the board by as much as 172 percent over the past five years.

Difference

A cost study by AMA carried out last year showed that the difference between the doctors' tariffs and the RAMS rates was 60 percent on average.

However, the difference can go as high as 120 percent for minor services such as consultations.

He says there are a number of main reasons for the escalation of medical aid subscriptions. Not all of these are due to inflation.

He says many members unnecessarily over-utilise medical services and a minority of private medical practitioners are over-servicing patients.

"This includes over-subscription of medication, unnecessary consultations and treatment.

"There is also a high incidence of medical aid fraud by a small number of members and practitioners.

"This includes the illegal use of a member's card by non-dependents, not only for consultations, but also for expensive hospitalisations; illegal dual membership of more than one medical aid; selling medical aid membership cards; accounts falsified by both members and practitioners; and, pharmacy purchases against the value of a prescription without the medicine being issued," says Mr Welman.

AMA is addressing the problem of spiralling health costs in a number of ways, including offering tailor-made medical aid packages to suit specific groups of people and individuals as compared to straight funding.

"This means the member chooses his mix of funding and pays proportionately for it," says Mr Welman.



Timothy Gelman ... our solutions must retain the element of excellence.



Ray Welman ... member chooses mix of funding and pays proportionately.

GPs dislike generics – survey

STAR 14/5/92

A survey shows that 74 percent of general practitioners do not support the legalisation of generic substitutes.

Market research by Markinor shows that doctors are generally against pharmacists substituting their prescriptions and they say it should never occur without their permission.

Researchers interviewed a sample of general practitioners in active, full-time practice and pharmacists in large retail pharmacies. They found that respondents considered price to be the only real advantage of generic products.

Doctors believe that pharmacists are legally liable if they substitute a prescription without consulting the doctor.

But Graham Midlane, executive officer of the National Association of Pharmaceutical Manufacturers, said generic medicines had been used for the past 30 years in the public sector — which accounts for the greater part of medicine consumption in this country.

"Why not use them in the private sector as well? The arguments against generic substitution don't stand up to closer scrutiny," he says.

Cost-effective does not always mean cheap

STAR 14/5/92

The Pharmaceutical Manufacturer's Association of South Africa (PMA), under attack for providing medicine which is allegedly more expensive than anywhere else in the world, says the use of cost-effective modern medicine in South Africa can help contain costs.

PMA Executive Director John Toerien denies allegations that SA has the most expensive medicine in the world.

"The public sector — which accepts responsibility for the indigent and the aged — buys 70 percent of the volume of medicines consumed.

"It buys them on a tender system in terms of code lists and, in all probability, the State is acquiring its medicine at the most competitive price in the Western world.

"We believe that in designing a health-care policy, it is better to spend money on cost-effective modern medicine, rather than on the more downstream elements. Overseas experience, no doubt also applicable to South Africa, is that the use of modern cost-effective medicine avoids hospitalisation, possibly helps avoid surgery, reduces hospital day-stays and ensures a better quality of life.

"An example is TB. In years gone by, contracting the disease meant a long period of hospitalisation with attendant time off work, loss of income and drain on the economy.

96

Collapse

"Now the disease is treated quickly and efficiently with modern medicine and the patient is returned to be a productive member of the economy within weeks.

"In Eastern Europe, traditionally the seat of health care systems which relied on nationalisation, state subsidies and generic substitution, the collapse of communism has seen a dramatic move to cost effective modern medicine as one of the primary planks of the health care policy."

He believes the benefits of generic drug substitution have been over-estimated.

"Generic substitution does not necessarily work in favour of the patient and while the medicines may be cost effective, it does take longer for symptoms of illness to be treated, resulting in a loss of man-hours. We have to find cost-effective medicines which are to the benefit of the patient, not medicines which are substitutions for what we already have and which take longer to cure the patient.

"We are not opposed to generics, per se, but the PMA is totally opposed to the principle of substitution," he says.

There are no known cures for 75 percent of all known illnesses and PMA — which represents all major international and local manufacturers in South Africa — says there is an urgent need for research funds.

"It is the ethical drug companies which fund the vast bulk of this research both in South Africa and abroad," he says.

Seeff in Masterbond bid

CAPE TOWN — Seeff Trust is bidding for the management contract for the 11 property participation companies in the Masterbond group. A rival contender is the Johannesburg financing company, Citygate Corporate Finance.

Rumours that Realty Durr had also made a formal bid were denied yesterday by chairman Storm Durr, though he expressed interest in finding ways to assist investors who had only a few days left to send in their proxy votes before next Monday's meeting. B1Dan 19/5/92

In a letter to about 1 200 investors in the companies owning properties valued at more than R60m, Seeff Trust MD Michael Flax said concerned investors had approached Seeff to take over the management of the companies.

Flax said if chosen as manager, Seeff Trust would manage the properties professionally and economically, maximise returns, and assist investors in trading their units on the secondary market. A property management fee of 5% and secretarial

LINDA ENSOR

fees of 2% of the buildings' monthly rentals would be charged.

Flax said the properties had not been managed properly. The properties were burdened with a lot of bad debts and needed new tenants.

The letter recommended that investors vote onto the board of directors of the participation companies Flax, Seeff Organisation chairman Lawrence Seeff, Seeff Trust director Ryan Broomberg, Seeff Commercial Properties MD Theodore Yach, Seeff Trust national marketing manager Robert Knight and Seeff Residential Properties MD Samuel Seeff.

Citygate director Michael Addison said in terms of the Citygate offer J H Isaacs would be retained as property administrators and the possible amalgamation of the companies would be investigated with a view to a JSE listing to enhance the tradeability of the units.

Medicine price rises 'outstrip CPI'

MEDICINE prices had risen 10 times during the past 15 years compared with a rise in the consumer price index of eight times, Medical Association of SA (Masa) director Reg Magennis told the Pharmaceutical Society's national conference in Somerset West yesterday.

B1Dan 19/5/92

KATHRYN STRACHAN

Magennis said medical aid schemes were facing a crisis precipitated by the increase in the cost of medicines.

The average annual increase in payouts for medicines since 1975 was 26%, while payouts for general benefits rose 25%.

The volume of medicine consumed per person rose 16% between 1975 and 1982, but had dropped back to below 1975 levels by 1991, which indicated a growing resistance to price increases, Magennis said.

or rands.

The two suspects, Mr Shay Taieb and Mr Sagi Malachi, have already appeared in court. Both Israeli citizens, they allegedly claimed to be acting as agents for

work were sold under the name of other artists, and not as originals, made the case unique, police said.

Kors usually sells his huge oil

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Rapid rise in price of medicines

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The volume of medicine consumed had dropped back to below 1975 levels by 1991, which indicated a growing resistance to price increases, he said.

Dutch burial

... SA man ...

Since we ...

News in Brief

Security guard robbed

A SECURITY guard at SBH Cotton Mills in Epping Industria was held-up and robbed of goods worth R5 000 at the weekend, police said yesterday.

Strike talks deadlock

DURBAN. — Talks between management and representatives of 6 000 striking Toyota SA employees deadlocked yesterday over the issue of arbitration, according to the National Union of Metalworkers of SA. CT 19/5/92

Blue Light robber jailed

JOHANNESBURG. — Blue Light gang robber Gavin Schultz, 20, was yesterday jailed for an effective 10 years for his part in attempting to murder Rand Merchant Bank executive chairman Mr Gerrit Ferreira on February 26 last year.

Guard's trial postponed

THE trial of a security guard who allegedly raped two Table View women was postponed to May 26 for further investigation.

Man dies after beating

JOHANNESBURG. — Mr G Smith, a 65-year-old caretaker at the premises of an Alberton firm, has died after being beaten up by six thugs on Friday night.

Hout Bay alarm at crime

Wholesaler warns of 'grey' drugs

KATHRYN STRACHAN

A MASSIVE "grey network" supplying medicines to groups other than pharmacists had exposed the public to unsafe products, CE of ACA and PDC Trading pharmaceutical wholesaler Len Keating said yesterday.

Addressing a national conference of the Pharmaceutical Society of SA in Somerset West, Keating said much of the stock supplied to dispensing doctors, industrial clinics and private hospitals was stolen.

The grey network was a conduit for stock stolen from manufacturers, wholesalers and from public hospitals and for similar channeling of expired stock or simple placebos to the public.

Keating said up to one in five medications dispensed in the R2,5bn market came from the grey network and almost half that stock was stolen.

He questioned whether any guarantee could be given to the public regarding the safety or efficacy of the products that were presently being dispersed.

The abuse stemmed from the fact that there was no code of practice in the pharmaceutical wholesaling industry.

It was a sad reflection that an illegal business could not only threaten the viability of the professional ethical operators, but also presented a serious threat to public health, he said.

The corruptive strength of this operation was such that three of the nine-man task force working with police on uncovering the grey market had received death threats, Keating said.

Call to define pharmacists' role

SOMERSET WEST — The National Conference of the Pharmaceutical Society of SA yesterday adopted three motions regarded by the industry as critical, two of them directed at Health Minister Rina Venter.

Delegates resolved to ask Venter to restructure pharmaceutical services to form a chief directorate, headed by a pharmacist, and to ensure that pharmacy was represented on the Policy Council for Academic Hospitals.

The conference resolved to instruct the society's executive committee to collaborate with the Health Department and SA Pharmacy Council in defining the role of the pharmacist in primary health care.

A spokesman said pharmaceutical services were becoming fragmented as a result of the health services restructuring begun in 1990.

There was a need, he said, for a policy-making body to maintain standards in pharmaceutical services.

Although various documents on pharmacists' role in primary health care were available, seemingly little of their content had been noted.

Each organisation had made recommendations, but the time had come for all players to pull together to assure the pharmacist's future in SA, he said.

Delegates voted to ask the Medical Control Council to disallow the advertising of Schedule 2 drugs to the public. Drug Information Centre executive director Geraldine Bartlett said a number of Schedule 2 preparations were far from innocuous and had the potential to be abused.

As custodians of medicine, pharmacists could not allow the use and possible abuse of these medicines to be actively encouraged, Bartlett said. — Sapa.

Twins' income up 51% on 'excellent' showings

B/Day 27/5/92

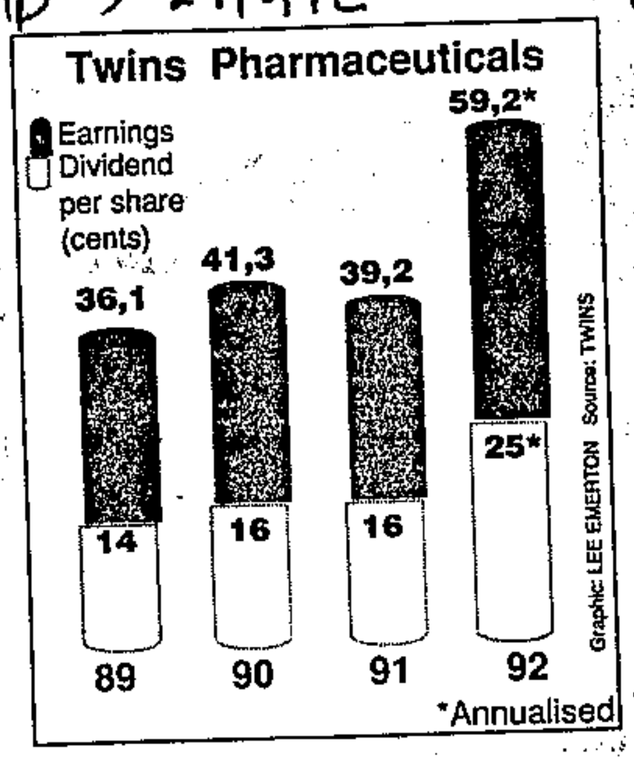
MARCIA KLEIN

TWINS Pharmaceuticals' attributable income was given a healthy 51% boost to R58,1m (R38,4m) in the year to end-April on the back of excellent performances by its pharmaceutical and consumer divisions.

The results reflected a marked reversal in its financial 1991 fortunes when earnings dropped 14% following restructuring and discontinuation of skin lighteners. CE Phil Nortier expects the buoyant trend to continue, and anticipates real earnings growth in financial 1993.

The company, which manufactures pharmaceutical, consumer, visioncare and animal healthcare products, has changed its year-end from March to April in line with that of holding company the Premier Group. Results have been given for the 13-month trading period.

On an annualised basis, turnover to end-April decreased 10,8% to R440,2m from R493,4m. Nortier said this included rationalisation of certain ranges, but turnover of continuing operations saw "real growth".



Operating income grew 30,1% to R106,3m (R81,7m), and borrowing costs were further reduced to R4,8m (R16,1m). Nortier said this resulted from improved profitability and focus on asset management. Debt of about R70m and a high gearing level had been successfully reduced.

Earnings grew 51% to 59,2c (39,2c) a share. A final dividend of 15c a share was declared. This, together with the 10c a share interim dividend and the 2c a share adjustment dividend brought the full year dividend up 56% to 27c (16c) a share, or 25c a share on an annualised basis.

A R3,8m extraordinary item refers to the write down of two properties which were disposed of.

Nortier said the pharmaceutical division had performed extremely well, showing significant real increases in turnover and profitability.

Although the consumer division was affected by the loss of the skin lighteners and difficult conditions, it showed a significant profit increase.

The visioncare division continued to operate profitably. But the animal health division experienced declining sales due to poor agricultural conditions. Nortier said a rationalisation programme in this division placed it well for an upswing.

He said the tight control of operating expenditure and improved efficiencies would be sustained. Cash resources would be used for investment in new products and capex to upgrade manufacturing facilities.

HEALTH CARE INDUSTRY

Taking a scalpel to high prices

Health Minister Rina Venter finally appears to have realised that she will never be able to appease the vested interests in the healthcare industry as she tries to halt spiralling medical costs for the public.

Certainly, introducing the Medical Schemes Amendment Bill in parliament last week, despite continued strong opposition from the Medical Association of SA, shows a resolve few of her critics could have anticipated. With only a month to go before parliament closes, Venter seems determined to deregulate the industry. Her proposed changes will give medical schemes more scope to keep costs in check and halt doctors' sole discretion in dispensing health care.

If passed, the Bill will put an end to guaranteed payments and scales of benefits. It will allow schemes to provide healthcare services, by running hospitals and clinics and employing doctors, nurses and pharmacists, a move that has lowered costs by as much as 40% elsewhere in the world.

In cutting medicine costs, the Minister's resolve to deregulate the pharmaceutical industry will have to be just as unflinching. SA drug prices are among the world's highest.

Last week's annual conference of the Pharmaceutical Society of SA showed little initiative in addressing the costs issue. The debate merely depicted an industry wracked with internal tensions and lacking direction. While retailers, wholesalers and manufacturers battled to define their roles in the industry's apparent identity crisis, little consensus was reached on containing spiralling medicine costs.

The industry is not short of suggestions. Several recommendations — based on the findings of the Browne Commission and believed to contain many of the recommendations of the uncompleted Wim de Villiers report — were canvassed earlier this year at a forum convened by the Minister.

Generic substitution, ending the ban on imports of medicines that could compete with locally made ones, pharmacist-initiated therapy, rescheduling some medicines so that you would not need prescriptions to get them, and allowing other retailers to compete with pharmacies are all proven cost-cutting mechanisms that have dropped medicine prices in other countries. But vested interests — mostly doctors and drug manufacturers — continue to prevent their being implemented in SA.

The heated debate on generic substitution is a case in point. Manufacturers and doctors are still debating the efficacy and safety of generic drugs in SA. Yet generic drugs have been used safely for 30 years in State hospitals, resulting in huge cost-savings. The anomaly is that, legally, the widespread use



of the drugs remains prohibited.

Still, there has been some progress on the issue of generics. In February, Venter's department tabled a list of 36 substances that could not be substituted by generics, implying that all other medicines could be. Considering the discord on the issue, she is expected to table legislation allowing the widespread use of generics long before consensus is reached.

Medical administrator David Boyce says: "While the pharmaceutical industry broadly favours generic substitution, the multinational drug companies do not." Boyce, a former retail pharmacist who heads TPS, a claims processing arm of Medicredit, says the multinationals are preoccupied with protecting the market share of their patented drugs and with recouping their research investments. International studies suggest manufacturers secure a return of more than 45% on capital investment.

The conference did resolve to investigate allowing the parallel import of cheaper medicines. In the UK, parallel imports accounted for £250m in medicine purchases last year. But local manufacturers have already begun to stress that these imports could pave the way for counterfeit medicines, lowered standards and lost jobs.

The call for volume-based prices from manufacturers remains a great source of controversy in the industry. Wholesalers and retail pharmacists have persistently criticised manufacturers for giving big discounts to dispensing doctors, who buy only small quantities of drugs compared with the far higher prices paid by retail and wholesale chemists for larger quantities.

"This encourages doctors to drive the product through the (prescription) pen," says Len Keating, CE of wholesalers ACA and PDC. "They get deals for buying a thousand rands worth of merchandise that a pharmaceutical wholesaler could not secure when buying even a million rands worth of the identical product." The matter is now before the Competition Board.

Rescheduling schedule two and three medicines to allow pharmacists more room to initiate therapy would lower prices and sometimes save on a doctor's consultation fee. Tom Carse, past president of the Pharmaceutical Society of SA, says a list has been compiled by Potchefstroom University detailing no less than 96 ailments that could be treated by a pharmacist without any need to consult a doctor.

Venter has indicated her support for such a move but the powerful Medicines Control Council appears to be the stumbling block to implementing this reform.

The council's director, Johan Schlebusch, asks why too little has been done to familiarise pharmacists with the clinical aspects of medicines in higher schedules "in anticipation of the day when these schedules become a reality." However, many argue that the council, a scientific body, must consider the economic needs of a Third-World population rather than apply unsuitable First-World standards.

Regrettably, nothing was said at the conference about dropping the ban on pharmacists working for nonpharmacists in retailing. Such a move would certainly pave the way for large retail chains such as Pick 'n Pay and Clicks to enter the market and challenge the manufacturers' drug-price stranglehold, described by a conference observer as "obscene and inappropriate to the needs of the country." ■

THE DROUGHT

Fuelling the price spiral

Government says food prices have soared by nearly 30% over the past year, while Pick 'n Pay's Raymond Ackerman and the Premier Group's Peter Wrighton put the figure at around 15%. But, whatever the increase, food prices are sure to rise faster in the months ahead as the effects of the drought kick in.

With much of the maize crop wiped out, downstream users of imported yellow maize will be hit hard, sending a ripple effect of higher prices through the food chain. In

Companies under fire for high cost of medicine

WHEN it comes to laying blame for spiralling medical costs in SA — currently at about R19bn a year — pharmaceutical companies, medical practitioners, the private health sector and government all come under fire.

Pharmaceutical companies are seen as the main culprits because of the astronomical and rapidly increasing cost of drugs.

The two main pharmaceutical associations in SA — the Pharmaceutical Manufacturers Association (PMA) and the National Association of Pharmaceutical Manufacturers (NAPM) — differ markedly from each other on potential solutions.

The PMA, which represents mainly multinational drug companies, argues that drug spending must be concentrated on "efficient modern medicines" after proper first-time diagnosis.

Such an approach, according to the PMA, will mean a cost-effective health care policy because patients will be kept out of doctors rooms and hospitals. Modern drugs will enable patients to return to the economy as soon as possible.

The PMA supports the idea of self-medication and is opposed to generic substitution, especially without doctors being consulted. The NAPM believes that reducing the cost of medical care cannot be addressed without taking generic medicine into consideration.

SA Druggists MD Lou Morris says generic substitution means the pharmacist can supply a less expensive generic medicine to the original branded product prescribed by the the doctor.

The generic medicine is equal in terms of active chemical ingredients, strength and dosage form to the original prescribed product.

"The widespread use of generic medicine throughout the world attests to its success in achieving significant savings to the benefit of the patient. It is especially vital in the SA context where the less privileged cannot afford medicine," says Morris.

The higher price of branded medicines is a result of producers recovering the cost of initial research and development into the medicine.

The innovator of the medicine has 20 years to do this and once the patent has lapsed, the original product can be manufactured and sold at prices which are, in some cases, up to 70% less than the original.

Approved

Morris says that before the product can be sold to the public it has to be approved by the Medicine Control Council (MCC).

The MCC sets down strict requirements to ensure the levels of the medicine comply with standards — as well as a number of controls designed to protect the health of the patient.

Morris says SA Druggists has over 90 generic products already registered and more in development.

He says medical aid companies are interested in generic medicine and many are introducing a maximum medical aid price to their members. This means the schemes will only recognise prices based on the generic medicine price.

Pharmacies to end deliveries?

Staff Reporter

MEDICINE deliveries could soon be a thing of the past. 46 CT 1/6/92

A Wynberg pharmacist said that because of the high cost of medicines, pharmacies were now looking at phasing out overheads such as delivery services to provide discounts and attract customers in a competitive market.

Pharmacies are taking stock of shrinking sales volumes and introducing cost-cutting measures and discounts to attract customers.

The aim of the strategy is to increase sales volumes by working on a lower profit margin.

"Overheads eat profits," one chemist said.

80% on tranquillisers risk addiction, warns expert

AEG 3/6/92

ANDREA WEISS, Health Reporter

ABOUT 80 percent of people who use tranquillisers for a year will be addicted to them, according to a visiting US expert on anxiety disorders, Professor Otis Baughman.

Professor Baughman of Spartenburg, South Carolina, has been touring the country addressing general practitioners on anxiety disorders and substance abuse.

Although he did not believe in the use of chemicals unless absolute necessary, tranquillisers could be used for a short-term crisis, he said.

Professor Baughman also warned that it was dangerous for a person accustomed to high doses of tranquillisers to stop using them abruptly.

It was also dangerous to drink alcohol while on tranquillisers because the combined effect could severely impair functioning.

Anxiety disorders occurred in 10 percent of the general population, making it the most common chronic disease ahead of depression and high blood pressure, he said.

Phobias, post-traumatic stress (sometimes called shell-shock), panic attacks, obsessive compulsive behaviour and generalised anxiety all fell into this category.

At least half the anxiety disorders people had were not owing to environmental factors, but had a bio-chemical origin that could be hereditary, said Professor Baughman.

Untreated, anxiety disorders often led to depression.

He said figures indicated more women than men sought treatment for anxiety disorders, but this was probably because women were more easily able to express their feelings.

Men frequently buried their problems in alcohol, which although "an excellent anti-anxiety medication" could lead to other problems.

For mild disorders, treatment might include exercise to stimulate the body's natural tranquillisers. Avoiding stimulants such as nicotine and caffeine would also help, as would a healthier diet, he said.

An important part of therapy would also be counselling.

But in moderate to severe cases, medication was sometimes needed if people were unable to function normally. Fortunately, new drugs that took three or four weeks to work and did not produce withdrawal effects were available.

Professor Baughman said anybody with three or more of the following symptoms was very likely to have an anxiety disorder and suggested they seek treatment from their general practitioner:

- Psychosomatic physical complaints;
- Constant worrying;
- Irritability and personality change;
- Jumpiness, keyed up;
- Initial insomnia no matter how tired; and,
- Relaxation problems even on holiday or at weekends.

More to pill than swallowing it

South 6/6-10/6/92 (96) (288) (287)

By Karen Hurt

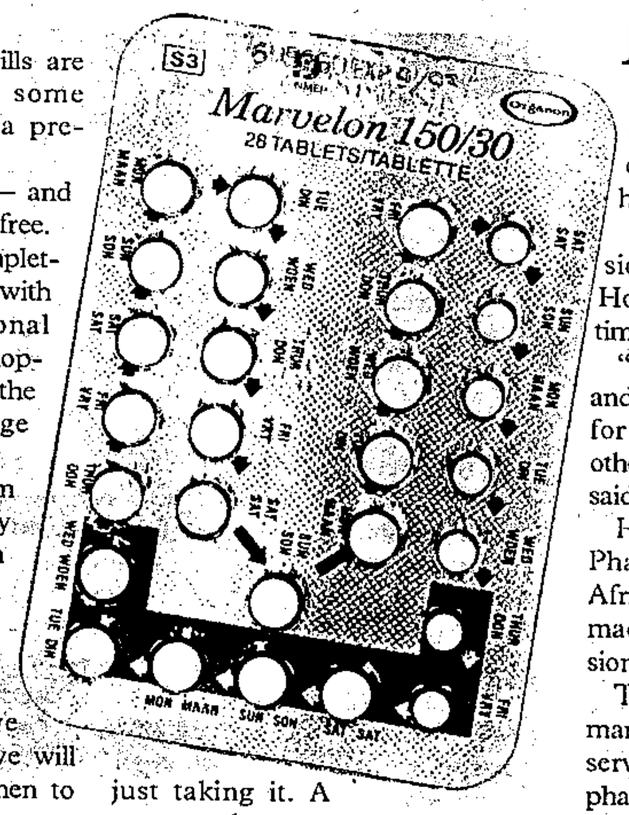
CONTRACEPTIVE pills are now available from some pharmacies without a prescription.

They will cost very little — and could in some cases be given free.

Pharmacists who have completed a family planning course with the Department of National Health and Population Development, will be able to order the contraceptives free of charge from the government.

They can then issue them free or charge R3,80 if they take a medical history from women who want to use the pill.

However, doctors are not completely satisfied that the new system will be effective despite the fact that the move will make it easier for many women to get the pill.



"There is more to the pill than just taking it. A woman who wants to go on to the pill should have a full medical history taken and tests done before choosing which pill will best suit her," said a general practitioner.

"Different pills have different side-effects for different women. How many pharmacists will have time to take a full medical history?

"Pharmacists are often busy — and is a chemist shop the best place for this to happen? There will be other customers around," the doctor said.

However, a spokesperson for the Pharmaceutical Society of South Africa said he was confident pharmacists would provide a "professional service".

The society was not yet sure how many pharmacists would offer the service but was aware that 1 625 pharmacists had passed the training offered by the Department of Health.

"Obviously pharmacists aren't able to do physical examinations when women come to get their contraception," the Pharmaceutical Society spokesperson said.

"Many have private areas in their chemists where they can take a medical history — this was one of the requirements for those wishing to provide the service.

"As far as having enough time to take a medical history, those who offer the service are committed to their clientele, there's no doubt about this."

A spokesperson for the Department of National Health said the pharmacists were trained to counsel, take a full history and decide on an oral contraceptive.

"The pharmacist is linked to a clinic to which women will be referred for yearly check-ups," the spokesperson said.

"We made the decision to introduce the new system to meet demands of women using contraception to make services more easily available, to include the pharmacist as a member of the primary health care team."

However, there are some questions which the Department of National Health did not answer.

Shouldn't the government provide more clinics where women can be given all the information and have the tests in privacy? Are women going to benefit in the long run or has the government just found a new and cheap way of handing out contraception?

Isn't this new system simply part of the old system — third-rate over-the-counter health care for women?

— Speak magazine

Appeal for change in pharmaceutical industry

MICK ELLINGHAM

RESTRICTIVE practices in the pharmaceutical industry could not be allowed to continue, Premier Group deputy CE Gordon Utian said yesterday.

In an interview he called for the speedy publication of the Competition Board's investigation into the industry.

Many SA pharmaceutical manufacturers — mainly multinational conglomerates — had a great advantage from a taxation, foreign exchange and pricing point of view, he said.

"Although these manufacturers constantly develop their products through costly research and development, the prices which they charge for these products are exceptionally high."

He said doctors — influenced by expensive marketing campaigns — prescribed these well-branded products which consumers used unaware that there were often equally effective medicines available at a fraction of the price.

However, the role of pharmacists had become blurred by the increasing competition , he said.

"Pharmacists are being propelled by medical aid societies into the role of discounters, which is not only ill-suited to their profession and training, but which is commercially suicidal and for which they are ill-equipped," Utian said.

"Meanwhile, the wholesaler is expected to maintain the same high level of service in the face of increasing expenditure."

Wholesalers need sophisticated computer networks to cope with expediting the large volume of orders, he said.

Utian said,"full-service wholesalers are the victims of a grey market which is growing as a result of manufacturing groups supplying goods more favourably to short-line wholesalers, dispensing doctors, trading doctors and private clinics".

Some of the issues raised by Utian are expected to be dealt with in the Competition Board report on the pharmaceutical industry, to be published later this month.

Board chairman Pierre Brooks said earlier this week the main concern of the report was to address the high cost of medicine in SA.

Brooks said a draft report had already been considered by the board, but that "minor adjustments" still had to be made.

'No' to VAT-free drugs

FINANCE Minister Mr Derek Keys has rejected a call to consider exempting life-saving drugs from Value Added Tax (VAT). (96) CT 11/6/92

Responding in the House of Assembly to a question tabled by Mr Mike Ellis, the DP MP for Durban North, he said: "The question arises what are life-saving drugs. For one person a certain drug may be a life-saving drug but not for another.

"For practical reasons it is not possible."

R70m write-off hits SA Druggists

BIDay 12/6/92

MARCIA KLEIN

EARNINGS of SA Druggists (SAD) dipped 27,7% to 18,3c (25,3c) a share in the year to end-March on the back of a R70m abnormal write-off and poor trading conditions.

Trading conditions were exacerbated by increased competition in the generic pharmaceuticals market.

SA Druggists, which was bought by Malbak from Federale Volksbeleggings in September, also announced details of its acquisition of the pharmaceutical and allied interests of Malbak — including Protea Medical & Laboratory and a division of Protea Chemicals — for shares in SA Druggists at a market value of R339m.

The group has changed its year-end to August in line with that of Malbak. Results are for the 12 months to end-March, and final results covering 17 months will be released after end-August, CE Peter Beningfield said yesterday.

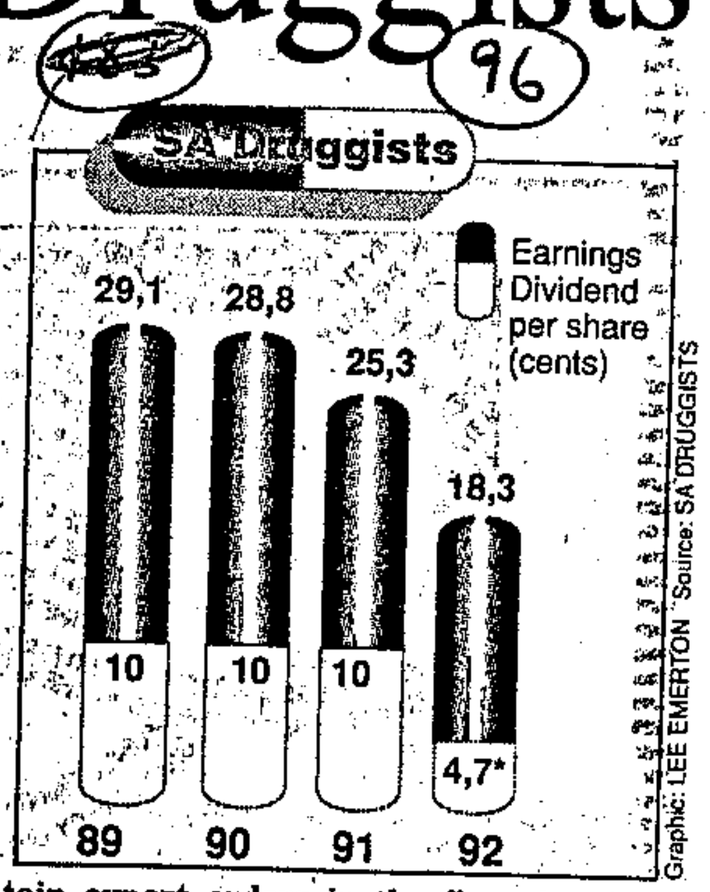
Attributable earnings of R25,8m were 27,7% down on the previous year's R35,7m. No dividend was declared because of the change in year-end.

Turnover of R1,1bn was 6,9% up on the previous year after increasing only marginally in the second half.

Turnover was affected by losses in certain export orders in the fine chemicals division, and the fact that the market for the group's products did not grow in line with the rest of the market, "bearing in mind that SAD products are mainly generic", Beningfield said.

Operating margins, which dropped to 5,8% from 7,8%, were affected by the loss of the high margin export turnover, in-

☐ To Page 2



SA Druggists

☐ From Page 1

creased costs in certain divisions and tighter margins in the increasingly competitive generic market.

Beningfield said that stricter application of existing accounting policies resulted in a R32m reduction in current assets, other adjustments of R18m and rationalisation costs of R20m. The after-tax effect of the R70m adjustments was a R40m abnormal write-off.

BIDay 12/6/92

The balance sheet has changed materially. Outstanding cheques have been included in borrowings, finance leases have been capitalised and loans to pharmacies have been included under investments and interest-bearing debt. Interest bearing debt jumped 195,7% to R173,8m because of changes in certain accounting policies.

Beningfield said that SA Druggists had been centrally run, and now Malbak had focused on fully accountable independent business units. He said the acquisition of Protea Medical and the speciality chemical trading activities of Protea Chemicals would enable the group to optimise production, marketing and distribution, and to strengthen its management structures.

He said it had a good parcel of assets, but needed a better balance of original formulation products and generic products. It would also concentrate on exports, which currently accounted for about 20% of turnover, excluding distribution.

Results for the five months to the new year-end would be in line with the current performance. But SAD was in a position to grow and to generate cash, and it would show an improved performance in 1993.

Although finance costs were reduced through improved control of working capital, the changes in accounting policies and the abnormal write-offs resulted in a jump in gearing to 90,2% compared with last year's reported 27,5%. Last year's gearing would have been 72,2% if these practices were in operation.

SAD earnings dip by 27,7%

(96)

CT 12/6/92

From MARCIA KLEIN

JOHANNESBURG. — Earnings of SA Druggists (SAD) dipped 27,7% to 18,3c (25,3c) a share in the year to end-March on the back of a R70m abnormal write-off and poor trading conditions.

Trading conditions were exacerbated by increased competition in the generic pharmaceuticals market.

SA Druggists, which was bought by Malbak from Federale Volksbeleggings in September, also announced details of its acquisition of the pharmaceutical and allied interests of Malbak — including Protea Medical & Laboratory and a division of Protea Chemicals — for shares in SA Druggists at a market value of R339m.

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Medicine makers reply

PRETORIA — The Pharmaceutical Manufacturers' Association said on Friday claims by the Premier Group against the pharmaceutical industry were exaggerated and incorrect in several respects.

Reacting to comments made by Premier deputy chief executive Gordon Utian, PMA president Dr Hugo Snyckers said: "The Competition Board is currently investigating alleged discriminatory pricing practices in the pharmaceutical industry.

"The PMA and its members look forward to the release of the board's report."

The alleged high price of medicines was continuously under review with the industry's full co-operation.

This should, however, form part of the development of an overall strategy for rendering health care in a manner which was cost effective, equitable and sustainable. — Sapa.

lished on 6 December 1991 and became effective from that date;

(2) (a) yes, a medical technologist must formally apply to the South African Medical and Dental Council for authority to enter into private practice. Proof must be submitted of having had at least two years post registration experience in an appropriate category; and

(b) the Council determines which tests may be performed by the applicant.

Orderly medicine provision/good dispense practice

358. Mrs C H CHARLEWOOD asked the Minister of National Health:

Whether, with reference to her reply to Question No 13 of 26 February 1992 in regard to the ruling by the Appellate Division that the provisions of the Medicines and Related Substances Control Act are not applicable to the State, she has taken any action in terms of the National Policy for Health Act, No 116 of 1990, to ensure orderly medicine privision and good dispense practice; if not, why not; if so, (a) what action and (b) when?

B856E

The MINISTER OF NATIONAL HEALTH:

No, the Health Matters Committee at a recent meeting took a decision whereby the individual members of the health family within the public sector are bound to adhere to the spirit of the requirements of the Medicines and Related Substances Control Act, 1965 (Act 101 of 1965).

The Department of State Expenditure (Chief Directorate: Procurement Administration) has also indicated that it intends to retain the status quo as far as the procurement of medicines is concerned, namely that these must be registered in terms of Act 101 of 1965.

The Medicines Control Council also accepted policy which effectively removes any hindrances to the pharmaceutical industry from supplying patient-ready packs to the State. These patient-ready packs if approved by the Council provide sufficient scientifically acceptable protection to the medicines contained therein.

Written reply to question set down for oral reply on Wednesday, 24 June 1992:

Police station for Yeoville constituency

*1. Mr D H M GIBSON asked the Minister of Law and Order:

Whether a police station is to be built for the Sydenham, Sandringham and Glenhazel areas of the Yeoville constituency during the course of 1992; if not, (a) why not and (b) when is it anticipated that this police station will be built; if so, what are the relevant details?

B807E

The MINISTER OF LAW AND ORDER:

No.

Provision is made for the establishment of a contact point at Sandringham area during the 1992/93 financial year.

The service is subjected to the availability of a suitable site which could thus far not be obtained.

HOUSE OF REPRESENTATIVES

QUESTIONS

†Indicates translated version.

For written reply:

General Affairs:

Afforestation permits: East Griqualand

4. Mr P T C NAPIER asked the Minister of Water Affairs and Forestry:

(1) Whether any assurances were given in the recent past to the effect that no more afforestation permits would be issued in respect of East Griqualand; if so, (a) when, (b) why and (c) by whom;

(2) whether such permits are still being issued in respect of East Griqualand; if so, (a) why and (b) to what extent;

(3) whether his Department intends taking any action against persons contravening regulations in this regard; if not, why not; if so, (a) what action, (b) when and (c) against whom;

(4) whether he will make a statement on the matter?

C33E

The MINISTER OF WATER AFFAIRS AND FORESTRY:

No, but the total afforestable area for which permits could be allocated, has already been allocated;

(1) (a), (b) and (c) fall away;

(2) Yes.

(a) If a permitholder's permit expires then a permit for the afforestable area which was coupled thereto, can be allocated.

(b) Indeterminable because there is uncertainty whether the existing permitholder's permit will expire.

(3) Yes.

(a), (b) and (c) The normal steps are taken when offences come to attention. Offenders are requested to remove the unauthorized trees and if they do not comply they can be prosecuted under the Forest Act, 1984 (Act 122 of 1984).

(4) No.

Suspension of provisions of Defence Act

8. Mr L T LANDERS asked the Minister of Defence:

(1) Whether, in the re-opened inquests into the deaths of Matthew Goniwe, Sparrow Mkhonto, Fort Calata and Sicelo Mhlauli, he will suspend the relevant provisions of the Defence Act, No 44 of 1957, so as to enable certain witnesses to come forward to give evidence; if not, why not, if so, what are the relevant details;

(2) whether he will make a statement on the matter?

C45E

The MINISTER OF DEFENCE:

(1) No. I have no authority to suspend any provision of an Act of Parliament.

(2) No.

Murder of late member for Alra Park: police investigation

9. Mr W J DIETRICH asked the Minister of Law and Order:

(1) Whether, since his reply to Question No 1 on 17 April 1991, any progress has been made in the police investigation into the murder of the late member for Alra Park; if not, why not; if so,

(2) whether any person has been arrested and/or charged in this connection since then; if so, what are the relevant details;

(3) whether he will make a statement on the matter?

C52E

cont—d

They're doing something about drugs

STAR 22/6/92 (96)

INTERNATIONAL expenditure on illicit drugs is second only to that on armanents.

South Africa partly shares this dubious distinction and has become a dumping ground for drugs and other substances, with staggering amounts of Mandrax and dagga being confiscated here.

Now, more than ever, greater efforts are needed from community leaders to deal with the evil.

Campaign

Pharmacists who have joined and who are supporting the effective new Drug Wise Counsellor campaign are bound to achieve a singular position in their communities and to raise their status in the eyes of South African consumers.

Drug Wise sets accredited pharmacists apart from other professions and distinguishes them from the chorus of ineffective concern.

Instead, they are perceived as doing something positive about helping abusers, their friends and families.

Of course, a commitment to Drug Wise means the pharmacist has to acquire specialised knowledge of the subject.

This is provided by study of The Drug Wise Manual and subsequent thorough examinations on it.

The Drug Wise Counsellor and the centre under his control must live up to the ideals of the South African Association of Retail Pharmacists.

He must be available, too, for continuous updating of the skills needed to take part in the programme.

There is a formal liaison with the South African National Council on Alcoholism and Drug Dependence.

A regular series of one-day workshops helps the Drug Wise Counsellor to consolidate his or her skills.

A Drug Wise Counsellor must be prepared to give an annual report-back on his activities and to demonstrate a continuing commitment to working with the local community, and setting examples with talks, counselling and third party presentations.

These can range from anything as simple as talking to a customer's child and his or her friends, to addressing women at a tea party or arranging a speaker for a school in the area.

There are numerous groups and organisations waving the flag against drug abuse.

But none have the resources and knowledge that the Drug Wise Counsellor has at his or her disposal.

Advice

No other organisation makes it as easy for the drug abuser, or friends and family of the abuser, to receive the advice, education, support, comfort, treatment and referral that may be needed.

If you need the support you can simply speak to a Drug Wise Counsellor — without an appointment — and without embarrassment and fear of exposure.

● If you want to find out which pharmacist in your area is a Drug Wise Counsellor, phone Rita Ferreira on (011) 403-1088.

Company puts big money to good use

STAR 22/6/92

ROCHE South Africa, wholly owned subsidiary of the giant Swiss pharmaceutical company, a world leader, is sponsoring the Drug Wise Counsellor campaign to the tune of R250 000.

The campaign is the brainchild of the South African Association of Retail Pharmacists (SAARP).

Behind the Roche sponsorship, a swift company decision, are the figures: A 117 percent increase in arrests for possession or dealing in cocaine in Johannesburg in one year alone.

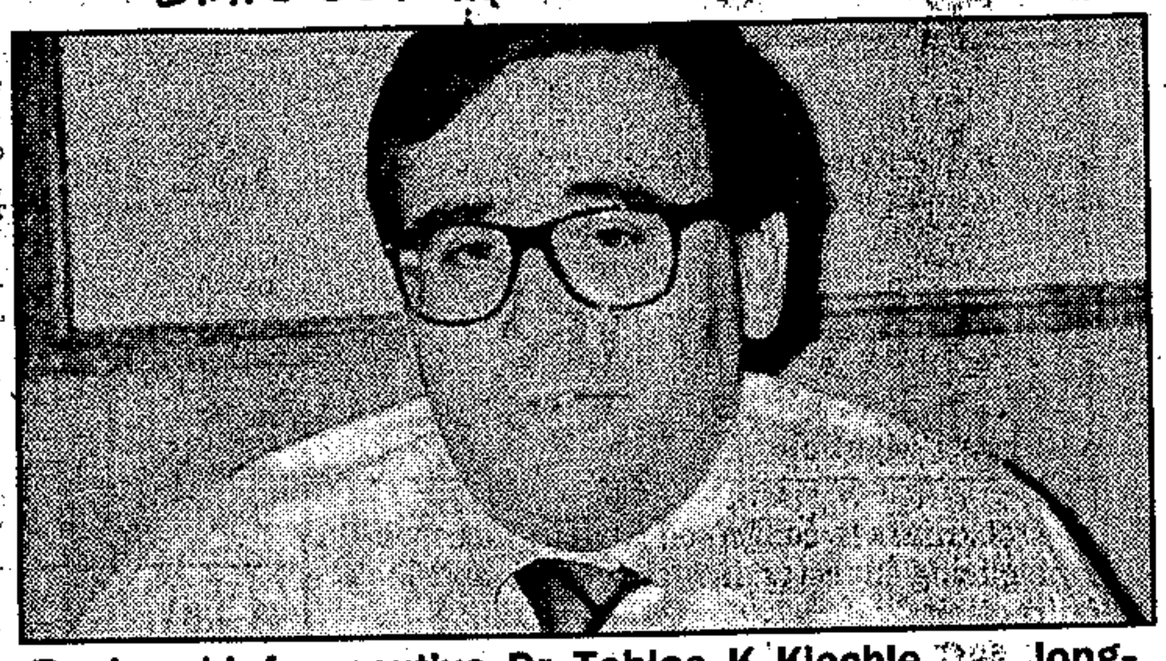
US-based Hoffman-La Roche's "corporate initiatives for a drug-free workplace" cautioned big business two years ago that cocaine users in the workplace "are more likely to create interpersonal dissension and the addict's long-term prospects are compromised ... cocaine provides a good example of how substance abuse can gradually destroy a career." And possibly a life.

Says Roche chief executive Dr Tobias K Kiechle:

"We're involved in two social responsibility programmes.

"One is the Drug Wise Counsellor programme which is a small step in the direction of primary health care which we believe this country needs.

"The second is our new health care information centre in Tembisa. These are two things we feel good about."



Roche chief executive Dr Tobias K Kiechle ... long-standing relationship with pharmacists.

He believes, firstly, that SAARP has come up with a good programme that offers wide-ranging information on substance abuse and that the pharmacist is the best-trained person to disseminate it.

Secondly, Dr Kiechle says, as a pharmaceutical company, Roche obviously has a long-standing, amicable relationship with pharmacists.

The pharmacist plays a crucial role in the dispensing of ethical drugs.

He sees the prescriptions and may spot a possible incompatibility with other medication the patient is taking because he forgot to mention it to his doctor.

Pharmacists have gained greater expertise too. In fact, says Dr Kiechle, an academic study has shown that there are about 100 ailments that could possibly be treated by a pharmacist.

Roche spends $230 million (about R640 million) a year on research and of every 10 products formulated in an eight to 12-year period, one only makes it to the marketplace.

Says Kelvyn Henry, head of public affairs at Roche:

"Abuse of substances, from dagga to the misuse of prescription medicines, is one of South Africa's biggest social problems.

Bitter pill for hard-up pharmacy locums

■ State pharmacists are challenging a government ruling that requires them to apply for permission to find after-hours work. It's the only way they can make ends meet, they say.

ANDREA WEISS
Health Reporter

PHARMACISTS at State hospitals are up in arms about a clampdown on moonlighting.

Cape Provincial Administration approval for after-hours work will be cancelled from August, to "exercise proper control over remunerative work outside the public service". Employees who want to keep their outside work will have to reapply by July 15.

Pharmacists say they are forced to work after hours, usually as locums in 24-hour pharmacies, to supplement their salaries.

One was so upset he was willing to be named.

Mr James Gibson, a pharmacist at Groote Schuur Hospital, said that with a four-year degree, a year's internship and seven years' experience, he was clearing R1 800 a month.

To pay the rent and make payments on a car, which he needed when he was on call, he was forced to moonlight, as were most of his colleagues. He said if pharmacists' salaries could be improved they would not have to "stand in the cold on Friday nights".

Mr Gibson said that pharmacists could be, potentially, the biggest money-savers in a hospital but they were not rewarded for their contribution.

The feeling among pharmacists at many provincial hospitals was that they were being unfairly discriminated against by the CPA ruling.

In a statement the CPA said that applications that seemed reasonable were "usually granted.

"Their knowledge is expanded to the benefit of the CPA and patients," it said.

Viruses beware: Protect-U is here

STAR 21/7/92

Medical Reporter 96

A South African chemist has made an international breakthrough with the development of a new product — for medical and household use — which is said to kill all known bacteria, fungi and viruses including HIV and hepatitis B.

The product, which has been tested by various institutions including the SA Bureau of Standards, was developed by chemist researcher Toni Martin.

"As far as I know, no one else in the world has achieved this," said Miss Martin at the launch yesterday. "I am not making any claims of having created a 'miracle' product. All I have done is to take an existing ingredient, proven to be effective, and developed it into a safe, user-friendly product."

Protect-U will be available on supermarket shelves and chemists by the middle of next month, and indications are that it will sell for about R5,40 for 750 ml. It is a cleaner and sanitiser which is non-corrosive, non-acidic and bio-degradable. For external use only, it can be used to prevent the spread of infectious diseases.

The product contains an active ingredient called Glutaraldehyde (Glut) which has been extensively tested worldwide and recognised as the sterilising chemical and disinfectant for infection control in medical in stitutions.

Glut, however, has to be che mically activated before use and then remains stable for a maximum of 14 to 28 days.

According to Stanford University head of anaesthetics Professor John Brock-Utne, Protect-U does not require an activator, is active and effective up to one year, has a neutral pH and is not a skin irritant.

Protect-U was also tested by Dr Michael Becker of the department of virology at Stellenbosch University.

DRUG PRICES

Fingering the culprits

Everybody knows that medicine in SA costs too much but nobody is sure whom to blame. Pharmacies say drug manufacturers are the culprits. Manufacturers say their prices are in line with prices overseas and accuse pharmacies of excessive markups.

The truth lies somewhere in the middle. If blame must be assigned, the pharmacies appear to be more at fault even though all parties are culpable.

Over the years, a practice has developed that allows the wholesaler — who buys in bulk from the manufacturer and carries the storage costs — to charge pharmacies and other retailers a 21,3% markup.

Pharmacies mark up their medicine by a further 50% before adding — for prescriptions — a dispensing charge and a fee for breaking open a package. So the price of a drug can nearly double from the time it leaves the manufacturer to the purchase from the neighbourhood pharmacist.

The system fares poorly compared with other countries. Martin Jennings of US-based pharmaceutical manufacturer Glaxo says: "A prescription drug leaving the factory in the US arrives at the consumer level with a total delivery chain markup of only 20%."

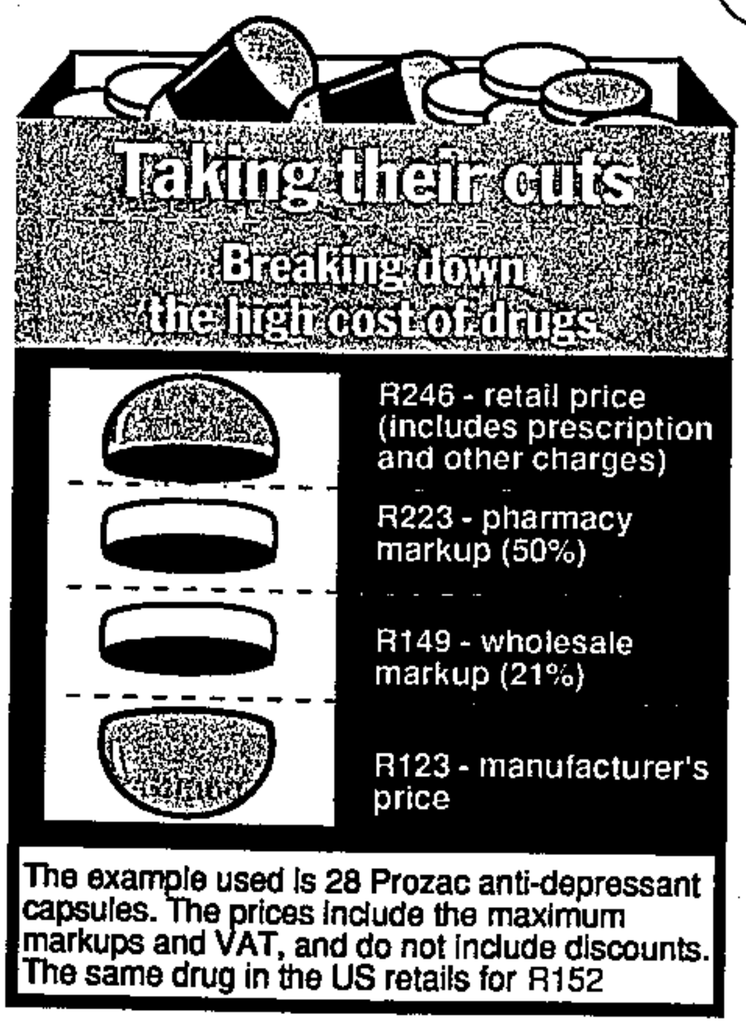
A comparison of the SA and US retail prices of three popular drugs — Prozac, Zantac and Nurofen — showed that SA prices were on average 120% higher (*Leading Articles* June 17).

But reforms are on the way. In recent months, the professional bodies and government have moved to cut back on the myriad rules that prop up prices, paving the way for more competition. Wolf Fürst, executive director of the National Association of Pharmaceutical Wholesalers, says wholesalers and retailers are now involved in a discount war that often cuts the markup in the distribution chain down to 45%.

Says Fürst: "Pressure from medical aid societies on dispensers to lower prices has resulted in retail discounts of no less than 15%. To enable retailers to afford this discount, wholesalers are discounting to their customers by at least 10%. The result is that prices to the patient are reduced by at least 20%."

He points out that even where pharmacies are franchised to a particular wholesaler, the pharmacies shop around for the best discount. "To get a net profit before tax of a mere 2%, wholesalers distribute around 6 000 products to more than 8 000 distribution outlets a day," he adds, defending the wholesalers.

He says the SA Pharmacy Council's decision last year to lift the ban on advertising prescription medicine prices has introduced more competition among pharmacies.



Dropping the ban on pharmacists working for large retailers such as Pick 'n Pay and Clicks — which, because of their size and buying power, would be better equipped to bargain with drug manufacturers — could mean steep discounts to the public.

The Competition Board this month recommended that government scrap the professional bars on pharmacists working for stores, medical schemes and doctors. Health Minister Rina Venter is keen to go along.

Wits Commerce dean Duncan Reekie, a medical economist, says: "A bulk buyer can obviously get prices cheaper. Professional codes have kept retail pharmacists small, operating on low turnovers and high profit margins." He suggests that, ideally, pharmacists should operate the same way as Boots, the giant UK manufacturer and retailer. Boots, with a 70% share, dominates the retail market there.

Many people in the pharmaceutical industry are questioning the continued role of the small independent pharmacist. Critics say that with the advent of large manufacturers, retail pharmacists have become little more than pill counters and poor businessmen. The pharmacists acknowledge the problem and recently proposed that government allow them a greater clinical role.

Retailers and wholesalers have their own axe to grind with the system. Not surprisingly, they apportion much of the blame to manufacturers and the State. They note that manufacturers remain opposed to legalising the generic equivalents of many drugs and imports of drugs made locally — though both steps would cut prices.

But their main criticism is that the entire drug supply system is distorted by the immense buying power of the State.

Pharmaceutical Society of SA chief Pieter van der Merwe says: "About 70% of all medicine is sold on tender to the State for, at most, a third of the price paid by the private sector for the same product." He suggests that manufacturers make up the difference by boosting the charges to the private sector.

Fürst says manufacturers have little choice but to take part in the State tender system. "Private-sector volumes alone are insufficient to justify manufacturing capacities, compelling manufacturers to participate in State tenders at almost any cost."

Reekie says the blame for high drug prices should not be shifted to the State tender system. He says manufacturers in the US, for example, face a similar problem; they must provide huge discounts to large State organisations, health maintenance organisations and medical schemes.

"The fact that the private-sector base price is higher than the State base price is not the major reason for high drug prices in SA. Added on to this admittedly high base price is a substantial distribution margin at the wholesale and retail levels. There can be very few fast-selling commodities that have almost a 100% markup." *Mirryêna Deeb*

AIRCRAFT MANUFACTURE

Flying start

A R500m order by the SA Air Force for 75 trainer aircraft is poised to make or break the embryonic aircraft industry. Tenders for the closely contested contract close on August 7 and it is expected to be awarded this year.

Local hopes are pinned on a consortium that includes Atlas Aircraft Corp; Denel, the four-month-old commercialised State company that took over Armscor's manufacturing activities; Aerotek, the CSIR's aeronautical engineering division; Aerodyne, a Somerset West composite materials manufacturer; Somchem, a Denel subsidiary; Midrand's Advanced Technologies & Engineering; and Fields Aviation.

Consortium members say winning the contract could mean the start of a lucrative aircraft industry. They add that previous efforts to build fighter aircraft were pie in the sky by comparison. The military trainer and a commercial derivative could put SA on the world map as a serious aircraft manufacturer.

Bidding is fierce. There are believed to be at least three formidable foreign contenders:

Continue →

Police move on stolen drugs

(96) CT 8/8/92

By JACKIE CAMERON

CAPE TOWN police are expected to make several arrests soon in connection with a racket involving the purchase of stolen medicines.

A local police source said about R750 million a year had been spent on the medicines.

A reliable source in the pharmaceutical industry said: "We view this kind of crime in a very serious light and offenders could be struck off the roll because there is no guarantee that stolen drugs are not bogus drugs.

"This kind of crime is difficult to control because it usually comes to light only during stock-taking. There is a great demand for the drugs from both pharmacists and dispensing doctors."

A police spokesman said most of the drugs were stolen from provincial day hospitals and military sick-bays in the Transvaal and the Cape and sold via middle-men, who operated under false company names, to pharmacists at discounted prices.

Police are also looking for Mr Gavin Oberholzer of Multi-med Pharmaceuticals who they believe can assist them in their investigations.

The Pharmaceutical Manufacturers' Association (PMA) called for a police investigation into the scam in February.

At the time, PMA spokesman Mr John Toerien said in Johannesburg that three members of a task force assigned to investigate the black market in the pharmaceutical industry had resigned after death threats and a fourth had employed 24-hour guards.

'Pharmacists should have more power'

Staff Reporter

THE role of the pharmacist should be expanded, representatives of various political parties unanimously agreed yesterday.

Speaking at a health symposium held at UWC yesterday, Dr Rodney Rhodh of the NP said he believed pharmacists should be accepted as specialists in advising on the properties of all medicines. He said their role in South Africa was grossly underestimated.

CP spokesman on health Dr Herholdt Pauw and ANC representative Dr Di McKintyre supported Dr Rodh. Dr McKintyre also stressed the importance of diverting manpower away from the private health sector by raising incomes and improving working conditions in public health services.

A member of the DP's health team, Mr Andre de Wet, said he was "very pleased" with Dr McKintyre's proposal.

Mail order medicines at 30% discounts

KATHRYN STRACHAN

A MAIL order pharmacy, which offers a 30% discount on certain prescribed medicines, could be a first for SA when it opens in September. But the SA Pharmacy Council remains guarded about whether it will be accepted.

Neels de Bruin — manager of the new service, Medipost, and also a member of the council — said although the advertising code for pharmacists had been relaxed, he did expect problems.

Pharmacists were now allowed to advertise their prices, but whether they could advertise the discount offered was still the subject of debate, he said. "But I'm on the council and my interpretation says it's correct," said De Bruin.

Pharmacy Council registrar Daan Naude refused to comment.

De Bruin said his nationwide service was aimed at chronic and maintenance drugs, which would help the elderly in particular. He was able to keep his prices low by running a cash only business and lowering overhead expenses. There would be a 24-hour dispatch period.

Officials side against mail order medicine man

:E SA Pharmacy Council has warned that disci-
nary steps may follow the launch of a mail order
:dicine scheme.

The council said yesterday that any negligent act
Pretoria pharmacist and Pharmacy Council
:mber Mr Neels de Bruin in contravention of its
les of conduct could lead to disciplinary steps.

Mr De Bruin, who has guaranteed that he can
pply virtually all prescribed medicines at 30%
:count through a mail order service, has thrown
: retail pharmacutical industry into a spin.

He cut costs by working from a small office at the Loftus Versfeld rugby ground.

"Our stock level is kept to a minimum as we only purchase medicines after they are ordered."

The president of the SA Association of Retail Pharmacists, Mr Gert van der Vyfer, condemned the move to sell medicines through a postal service. He fears the "uncontrolled storage and temperature changes" that would occur in transit could "reduce the efficacy of the medicine".

An exasperated Mr De Bruin said yesterday that he was using "exactly the same channels of distribution" used by the mainstream industry, namely road, rail and the postal service.

"We do not, however, supply drugs such as insulin, which need to be refrigerated," he said.

Pharmaceutical Society of SA president Mr Gary Kohn said pharmacies were "best placed" to meet the patient's prescription needs and that pharmacists were able to "discuss and advise patients on the most cost-effective therapy".

Mr De Bruin feels the pharmaceutical industry has "blown his innovation out of all proportion".

What consumers want are affordable prices.

(96) ET 27/8/92

"I have had to take our four phones off the hook because we can't cope with all the calls we've had from the public," he said.

The Pharmacy Council said the supply rules included that a pharmacist had to give the necessary advice and information on medicines to the patient for safe and efficient use.

In addition, a responsibility rested on pharmacists to apply proper and reasonable care in the sale and supply of medicines, which included medicine by post. — Staff Reporter, Sapa

Pharmacists warn against medicines by mail order

96

BDay 27/8/92

KATHRYN STRACHAN

MEDIPOST, a nationwide mail order company offering prescribed medicines through the post, has come under attack from pharmaceutical associations.

SA Association of Retail Pharmacists president Gert van der Vyver warned there could be little control of medicines while they were in the post.

Certain scheduled medicines deteriorated rapidly when not stored at specified temperatures, he said. Incorrect handling could render them ineffective or they could deteriorate and become unsafe.

While the advertising code was recently relaxed to allow pharmacists to advertise competitive prices — Medipost offers a 30% discount on certain medicines — Van der Vyver said advertising discount percentages was still prohibited on the basis that it could be misleading.

Taking into account the limited margins open to wholesalers and, by implication, retail pharmacies supplied by them, Van der Vyver doubted that medicines could be delivered by post at prices consistently lower than those obtained from local retail pharmacies.

The SA Pharmacy Council said any negligent act by a pharmacist in contravention of its rules of conduct, including mail order medicine sales, could lead to disciplinary steps.

In order to ensure that pharmaceutical services were rendered in the best interests of patients, the council had laid down certain rules.

These included that a pharmacist had to give the necessary advice and information on medicines to the patient for safe and efficient use. In addition, pharmacists were responsible for ensuring the safe supply of medicines.

Pharmaceutical Society of SA president Gary Kohn criticised the new service for undermining the professional role played by the pharmacist in counselling patients.

Postal medicine grosses R20 000

Staff Reporter (96)

THE mail order pharmacy Medipost, which offers 30% discount on virtually all medicines, claims to have taken approximately R20 000 in orders since it began operating on 1 September.

The SA Pharmacy Council has condemned the service. CT 3/9/96

Vertoë ingevolge artikel 6 (1) van Wet 51 van 1949 ter ondersteuning of bestryding van 'n aansoek moet die Direkteur-generaal van Vervoer (Direktoraat Burgerlugvaart), Privaatsak X193, Pretoria, 0001, en die aansoeker binne 21 dae na die datum van publikasie hiervan bereik en daarin moet gemeld word of die persoon of persone wat aldus vertoë rig, van plan is om die verrigtinge by te woon of om daar verteenwoordig te word.

Die Kommissie sal reël dat kennis van die datum, tyd en plek van die verrigtinge skriftelik gegee word aan die aansoeker en al die persone wat aldus vertoë gerig het en wat verlang om aldus teenwoordig of verteenwoordig te wees.

BYLAE D

LYS VAN AANSOEKE OM DIE VERANDERING OF WYSIGING VAN LISENSIES

(A) Naam en adres van applikant. (B) Naam waaronder die lugdiens geëksploiteer word. (C) Besonderhede betreffende die lisensie en die verandering of wysiging daarvan of die voorwaardes daarvan ten opsigte waarvan aansoek gedoen is.

(A) Execujet (Edms.) Bpk., Posbus 2, Lanseria, 1748. (B) Execujet. (C) Nie-vasgestelde-lugvervoerdiens-lisensie N312. Onder "Naam van lisensiehouer" skrap huidige en voeg by "Execujet Air-Charter (Edms.) Bpk.".

(A) Trek Airways (Edms.) Bpk., Sewende Verdieping, The Inner Court, Kerkstraat 74, Johannesburg, 2000. (B) Trek Airways (Edms.) Bpk./Luxavia/Flitestar. (C) Vasgestelde-lugvervoerdienslisensie S427. Onder "Area wat bedien gaan word" voeg by: "Zimbabwe". Onder "Roetes en frekwensies wat bedien gaan word" voeg by: "Johannesburg na Harare, drie retoervlugte per week". Onder "Tariefskaal" voeg by " Vlugte tussen Jan Smuts en Harare: R500–R1 000 retoer".

(A) Trek Airways (Edms.) Bpk., Sewende Verdieping, The Inner Court, Kerkstraat 74, Johannesburg, 2000. (B) Trek Airways (Edms.) Bpk./Luxavia/Flitestar. (C) Vasgestelde-lugvervoerdienslisensie S427. Onder "area wat bedien gaan word" voeg by: "Namibië". Onder "Roetes en frekwensies wat bedien gaan word" voeg by: "Johannesburg na Windhoek en/of Kaapstad na Windhoek direk of via Walvisbaai, drie retoervlugte per week". Onder "Tariefskaal" voeg by: "Vlugte tussen Jan Smuts en Windhoek en/of Kaapstad en Windhoek: R450–R900 retoer".

(18 September 1992)

Representation in accordance with section 6 (1) of Act 51 of 1949 in support of, or in opposition to, an application, should reach the Director-General of Transport (Directorate Civil Aviation), Private Bag X193, Pretoria, 0001, and the applicant within 21 days of the date of publication hereof, stating whether the party or parties making such representations intend to be present or represented at the hearing.

The Commission will cause notice of the time, date and place of the hearing to be given in writing to the applicant and all parties who have made representations as aforesaid and who desire to be present or represented at the hearing.

SCHEDULE D

LIST OF APPLICATIONS FOR THE ALTERATION, MODIFICATION OR AMENDMENT TO LICENCES

(A) Name and address of applicant. (B) Name under which the air service is operated. (C) Particulars of the licence and of the alteration, modification or amendment thereto or the conditions thereof which has been applied for.

(A) Execujet (Pty) Ltd, P.O. Box 2, Lanseria, 1748. (B) Execujet. (C) Non-scheduled Air Transport Service Licence N312. Under "Name of licence holder" delete existing and add: "Execujet Air-Charter (Pty) Ltd".

(A) Trek Airways (Pty) Ltd, Seventh Floor, The Inner Court, 74 Kerk Street, Johannesburg, 2000. (B) Trek Airways (Pty) Ltd/Luxavia/Flitestar. (C) Scheduled Air Transport Service Licence S427. Under "Area to be served" add "Zimbabwe". Under "Routes and frequencies to be served" add: "Johannesburg to Harare, three return flights per week". Under "Tariff of Charges" add: Flights between Jan Smuts and Harare: R500–R1 000 return".

(A) Trek Airways (Pty) Ltd, Seventh Floor, The Inner Court, 74 Kerk Street, Johannesburg, 2000. (B) Trek Airways (Pty) Ltd/Luxavia/Filtestar. (C) Scheduled Air Transport Service Licence S427. Under "Area to be served" add: "Namibia". Under "Routes and frequencies to be served" add: "Johannesburg to Windhoek and/or Cape Town to Windhoek either direct or via Walvisbaai, three return flights per week". Under "Tariff of Charges" add: "Flights between Jan Smuts and Windhoek and/or Cape Town and Windhoek: R450–R900 return".

(18 September 1992)

RAADSKENNISGEWINGS

RAADSKENNISGEWING 297 VAN 1992

DIE SUID-AFRIKAANSE APTEKERSRAAD

KENNISGEWING INGEVOLGE ARTIKEL 45 (2) VAN DIE WET OP APTEKERS, 1974 (WET No. 53 VAN 1974)

Besonderhede rakende onderstaande persone wat na behoorlike ondersoek na hul gedrag deur die Suid-Afrikaanse Aptekersraad aan onbetaamlike of skandelike gedrag skuldig bevind is, word hierby vir algemene inligting bekend-gemaak:

BOARD NOTICES

BOARD NOTICE 297 OF 1992

THE SOUTH AFRICAN PHARMACY COUNCIL

NOTICE IN TERMS OF SECTION 45 (2) OF THE PHARMACY ACT, 1974 (ACT No. 53 OF 1974)

Particulars of the following persons found guilty of improper or disgraceful conduct by the South African Pharmacy Council after due inquiry into their conduct, are published for general information:

Naam van persoon	Aard van oortreding waaraan skuldig bevind	Straf opgelê
Mark Alistair BEARE	***Skandelike gedrag:*** (a) Versuim om behoorlike sorg te dra en beheer uit te oefen oor die verskaffing en verkoop van Bylae 2-middels en die hoeveelhede aldus aan pasiënte verskaf; (b) versuim om verkope van Bylae 2-middels op wyse voorgeskryf in Wet No. 101 van 1965 aan te teken; (c) verskaffing van medisyne terwyl versuim is om etikette op medisynehouers ooreenkomstig bepalings van Wet No. 101 van 1965 aan te bring.	Oplegging van straf voorwaardelik uitgestel vir twee jaar.
Carl Johan BOTHA	***Onbetaamlike gedrag:*** Advertering op 'n onprofessionele wyse en nie ooreenkomstig die riglyne van advertering— (a) op so 'n wyse dat die waardigheid of aansien van die beroep geskaad is; (b) wat neerkom op werwing van voorskrifte betreffende die verkoop van medisyne; (c) waar advertering nie beperk was tot verbruikersgoedere wat ingevolge 'n aptekerslisensie verkoop mag word nie, maar neergekom het op advertering van medisyne	Oplegging van straf voorwaardelik uitgestel vir een jaar.
Ramanlal HIRA	***Skandelike gedrag:*** (a) Vervanging van voorgeskrewe medisyne deur ander goedere terwyl lede van 'n mediese fonds toegelaat is om te teken vir medisyne ontvang; (b) vervanging van voorgeskrewe medisyne deur ander goedere, wetende dat 'n mediese fonds nie aanspreeklik was vir betaling van medisyne wat nie geresepteer is nie; (c) indiening van voorskrifte aan 'n mediese fonds wetende dat— (i) die medisyne nie aan die lede voorsien is nie; (ii) die mediese fonds nie aanspreeklik was vir betaling nie; (iii) die voorskrifte die indruk geskep het dat hulle aan die lede geresepteer is	Geskors vir drie jaar, vonnis voorwaardelik opgeskort vir drie jaar.
George KOUKARAS	***Skandelike gedrag:*** Toegelaat dat 'n ongeregistreer persoon handelinge verrig wat by die beroep van 'n apteker tuishoort	Geskors vir twee jaar, vonnis voorwaardelik opgeskort vir drie jaar.
Margaretha STEENKAMP	***Onbetaamlike gedrag:*** (a) Versuim om behoorlike sorg te dra en beheer uit te oefen oor die verkoop van gelyste stowwe; (b) heffing van buitensporige gelde vir die verskaffing van 'n voorgeskrewe medisyne	Berispe en gewaarsku.

Name of person	Nature of offence of which found guilty	Penalty imposed
Mark Alistair BEARE	***Disgraceful conduct:*** (a) Failure to exercise proper care in and control over the sale and supply of Schedule 2 substances and the quantities so supplied; (b) failure to record sales of Schedule 2 medicines in manner prescribed in Act No. 101 of 1965; (c) supplying medicines while failing to label medicines in accordance with provision of Act No. 101 of 1965	Imposition of penalty conditionally postponed for two years.
Carl Johan BOTHA	***Improper conduct:*** Advertising in an unprofessional manner and not in accordance with the guidelines for advertising— (a) in such a manner as to harm the dignity or honour of the profession; (b) amounting to touting for prescriptions with regard to the sale of medicines; (c) in that advertising was not limited to consumer goods which may be sold in terms of a pharmacist's licence, but amounted to advertising of medicines.	Imposition of penalty conditionally postponed for one year.

96

Name of person	Nature of offence of which found guilty	Penalty imposed
Ramanlal HIRA	***Disgraceful conduct:*** (a) Exchanging prescribed medicines for other commodities while allowing members of a medical aid scheme to sign for medicines received; (b) exchanging prescribed medicines for other commodities, knowing that a medical aid scheme was not liable for payment of medicines not dispensed; (c) submitting prescriptions to a medical aid scheme while knowing that— (i) the medicines were not supplied to the members; (ii) the medical aid scheme was not liable for payment; (iii) the prescriptions created the impression that they had been dispensed to the members	Suspended for three years, sentence conditionally suspended for three years.
George KOUKARAS	***Disgraceful conduct:*** Allowing an unregistered person to perform acts pertaining to the profession of a pharmacist	Suspended for two years, sentence conditionally suspended for three years.
Margaretha STEENKAMP	***Improper conduct:*** (a) Failure to exercise proper care in and control over the sale and supply of Scheduled substances; (b) charging excessive fees for supplying a prescribed medicine.	Reprimanded and cautioned.

(18 September 1992)

RAADSKENNISGEWING 298 VAN 1992
STADSRAAD VAN BRITS

WYSIGING VAN VASSTELLING VAN GELDE VIR REINIGINGSDIENSTE

Ingevolge die bepalings van artikel 80B van die Ordonnansie op Plaaslike Bestuur, 1939 (Ordonnansie 17 van 1939), word hierby bekendgemaak dat die Stadsraad van Brits, by spesiale besluit, die Vasstelling van Gelde vir Reinigingsdienste, gepubliseer onder Kennisgewing No. 89/1981 in *Offisiële Koerant* No. 4176 van 25 November 1981, soos gewysig, met ingang 1 Julie 1992 soos volg gewysig het:

1. Deur in item 2 (1) en (2) syfers "R12,30" en "R10,00" deur die syfers "R13,53" en "R11,00" te vervang.
2. Deur in item 2 (3) (b) (i) die syfer "R28,80" deur die syfer "R31,68" te vervang.
3. Deur in item 2 (4) (a) (i) (aa) die syfer "R66,48" deur die syfer "R96,39" te vervang.
   Deur in item 2 (4) (a) (ii) (aa) die syfer "R86,45" deur die syfer "R125,35" te vervang.
   Deur in item 2 (4) (b) (i) die syfer "R35,04" deur die syfer "R50,80" te vervang.
   Deur in item 2 (4) (b) (ii) die syfer "R65,16" deur die syfer "R94,48" te vervang.
   Deur in item 2 (4) (c) (i) die syfers "R50,16" en "R43,44" onderskeidelik met die syfers "R72,73" en "R62,98" te vervang.
   Deur in item 2 (4) (c) (ii) die syfers "R72,00" en "R67,99" onderskeidelik met die syfers "R104,40" en "R98,58" te vervang.
4. Deur in item 4 (1) die syfer "R63,12" met die syfer "R69,43" te vervang en item 4 (2) te skrap.
5. Deur in item 6 (1), 6 (2) en 6 (3) die syfers "R4,38"; "R33,60" en "R13,14" onderskeidelik met die syfers "R6,13"; "R47,04" en "R18,39" te vervang.

BOARD NOTICE 298 OF 1992
TOWN COUNCIL OF BRITS

AMENDMENT OF THE DETERMINATION OF CHARGES FOR SANITARY SERVICES

In terms of the provisions of section 80B of the Local Government Ordinance, 1939 (Ordinance 17 of 1939), it is hereby notified that the Town Council of Brits has, by special resolution, amended the determination of charges for Sanitary Services, published under Notice No. 89/1981 in the *Official Gazette* No. 4176 dated 25 November 1981, with effect from 1 July 1992 as follows:

1. By substituting in item 2 (1) and (2) the figures "R12,30" and "R10,00" by the figures "R13,53" and "R11,00" respectively.
2. By substituting in item 2 (3) (b) (i) the figure "R28,80" by the figure "R31,68".
3. By substituting in item 2 (4) (a) (i) (aa) the figure "R66,48" by the figure "R96,39".
   By substituting in item 2 (4) (a) (ii) (aa) the figure "R86,45" by the figure "R125,35".
   By substituting in item 2 (4) (b) (i) the figure "R35,04" by the figure "R50,80".
   By substituting in item 2 (4) (b) (ii) the figure "R65,16" by the figure "R94,48".
   By substituting in item 2 (4) (c) (i) the figures "R50,16" and "R43,44" by the figures "R72,73" and "R62,98" respectively.
   By substituting in item 2 (4) (c) (ii) the figures "R72,00" and "R67,99" by the figures "R104,40" and R98,58" respectively.
4. By the substituting in item 4 (1) the figure "R63,12" by the figure "R69,43" and the deletion of item 4 (2).
5. By substituting in item 6 (1), 6 (2) and 6 (3) the figures "R4,38"; "R33,60" and "R13,14" by the figures "R6,13"; "R47,04" and "R18,39" respectively.

(96)

Banned diet pill still sold

ARG 11/10/92

Staff Reporter

PENINSULA pharmacies ar still selling the diet pill Cal-Ban 3000 — a year after it was banned for being "harmful to human health".

This emerged from a snap survey of local chemists by the Cape Times following the granting of a R34 000 damages claim against the manufacturers, Cal-Ban (Pty) Limited, in the Pretoria Supreme Court last week.

The court ordered Cal-Ban to pay the R34 000 medical costs that a young Springs nurse, Mrs Glynis Byars, incurred in the three years subsequent to taking a five-day course of the slimming product in 1989.

Within days of taking the pills, doctors had to remove her small intestine which had turned gangrenous as a result of a mass of hard gum obstructing passage through it.

After the operation she had a heart attack and suffered acute organ failure. Now she cannot talk and has no control over her movements.



"HORRIFIED" . . . Mrs Verna Richardson, of a Gardens pharmacy, with the product.

Each Cal-Ban pill contains foodstuff and Guar Gum, which was declared "harmful or injurious to human health" in the Government Gazette in October 1991 following Mrs Byars' court action.

The pill was apparently not monitored by the Medical Control Council when it was first launched, as it was classified a foodstuff and not as medicine.

Several local pharmacies still have stocks on their shelves.

Those approached by the Cape Times said they did not know it had been banned in 1991.

Mr Willie Kriel, a spokesman for the Pharmaceutical Society of SA, said: "Ignorance is no excuse. It is the responsibility of each pharmacy to keep up-to-date on banned substances."

He said he would publish a warning on the banned diet pill in the next edition of the society's journal.

According to the Foodstuffs Act, local authorities have to ensure that banned food products are not sold to the public.

City council inspectors could not be reached for comment.

Efforts to trace the distributor this week proved futile. Contact numbers printed on the container had been discontinued.

A businessman who distributed the pill before it was banned said: "The distribution was a hornets' nest. The two men I dealt with have moved to America."

City swoop finds 6 diet-pill sellers

Staff Reporter

CITY COUNCIL health inspectors swooped on city pharmacies this week and discovered that only six outlets out of the 147 visited still had the banned Cal-Ban 3000 diet pills on their shelves.

The pills were declared harmful or injurious to human health and banned last October after a Pretoria Supreme Court case in which the manufacturer was ordered to pay R34 000 in medical costs to a nurse who had organ failure after taking them.

Dr Michael Popkiss, Medical Officer of Health, said food products sold in South Africa do not have to be screened or licensed by any authorities.

"Manufacturers can produce whatever they wish and have it on the shelves for sale without national health or local authorities being informed," he said.

He said the responsibility rests on them to ensure they are selling safe and healthy products.

Dr. Popkiss said that only 25 containers were found in the six pharmacies who still had the diet pills on their shelves. Owners may have overlooked them. (96) CT 3/10/92

Drug price mark-ups criticised

DUMA GQUBULE

THE Competition Board has criticised high mark-ups in the pharmaceutical industry.

Board chairman Pierre Brooks yesterday said established nominal margins in the industry had become so entrenched that prices determined in this way for products had become the benchmark.

Wholesalers automatically put a mark-up of 21% on prices charged by manufacturers, while retailers added another 50%.

This meant a R10 increase at the manufacturing level led to a cost of R18,30 at retail level.

As a result, the medicine component of total medical expenses in the private sector was greater than similar conditions abroad, he said.

Dispensers in many instances ignored actual acquisition costs of prescription medicines, relying rather on retail prices as their pricing guide. Most contracts between pharmacies and medical schemes were based on discounts from retail prices, he said.

The board had told the pharmaceutical industry to "get their house in order". The board's current investigation into the pharmaceutical industry had concentrated on allegations of price discrimination between purchasers in respect of equivalent transactions. A price structure based on manufacturers' prices with no equivalent transaction discrimination would comply with competition policy, he said.

Professor Hennie Snyman, principal of the Port Elizabeth Technikon.

METROPOLITAN DIGEST (Johannesburg)

(a) Vol 9 no 3 1991.

(b) Food Gardens Unlimited.

(c) People are encouraged to plant their own food.

(a) February and April 1992.

(b) South African Fashion Designers' Association.

(c) The organisation and its founder president: Ms Esther Mohlabi.

VISION (Durban)

(a) February 1992.

(b) ASSIST (Association Supporting Survivors of Incest and Sexual Trauma).

(c) The work that this organisation does.

(a) March 1992.

(b) Advice Desk for Abused Women.

(c) Where abused women can obtain advice.

KARET (Cape Town)

(a) 14 February.

(b) Women's Bureau.

(c) Report on seminar: 'Taking charge of your life'.

(a) 13 March.

(b) Kontak.

(c) Women must build on peaceful future.

(a) 13 March.

(b) Women for South Africa
Women's Bureau
National Council of African women
Orange Free State Women's Association.

(c) Group photograph.

(a) 1 September.

(b) Women for South Africa.

(c) Organisations co-operate to establish a training centre for women in Stellenbosch.

(a) 1 October.

(b) Women for South Africa.

(c) National president, Ms Jenny Malan, talks about human rights.

(a) 1 November.

(b) Kontak.

(c) Ms Pauline Mkalipe, chairperson, speaks about the aims and objectives of the organisation.

LIGHT/KHANYA (Pretoria)

(a) January 1992.

(b) Pretoria Friendship Forum.

(c) Function held by this organisation.

(a) April 1992.

(b) Tholuwazi Women's League.

(c) Activities of the group.

(a) May 1992.

(b) Tekset.

(c) Negotiation seminar held by this group.

(a) September 1992.

(b) Itsoseng Women's Club.

(c) Club receives financial aid from private sector.

LUX FEMINA, women's magazine, Pretoria Regional Office:

(a) December 1991.

(b) Atteridgeville Ladies' Club.

(c) Founding of the organisation.

(a) December 1991.

(b) SA Vroue Federasie.

(c) Interview with the president.

(a) March 1992.

(b) Kontak.

(c) Kontak emphasises nation-building.

(a) June 1992.

(b) Women's prayer day.

(c) A function in Mamelodi.

(a) June 1992.

(b) Tekset.

(c) Negotiation seminar for members of the organisation.

(a) September 1992.

(b) Sidingulwazi Women's League.

(c) The activities of the group.

PUISANO (Bloemfontein)

(a) October 1991.

(b) Women for South Africa.

(c) Profile of Dr Elsie de Beer.

(a) October 1992.

(b) Women for South Africa.

(c) Women in various communities must learn to understand one another.

4.4 RSA POLICY REVIEW/ RSA-BELEIDSOORSIG published the following:

(a) September 1991 p 56.

(b) The South African Nursing Association.

(c) Nursing Centenary: An interview with the president of the Association, Dr Anna-Marie Bruwer.

(a) September 1991 p 67.

(b) The sections: Vocational Matters and Community Health Care of the Department of National Health and Population Development, and the South African Nursing Council.

(c) Nursing geared for challenges: An article based on interviews with Ms Odelia Muller, Deputy Director: Vocational Matters, and Ms Iris Röscher, Director: Community Health Care of the department, and representatives of the South African Nursing Council.

(a) October 1992, p 94.

(b) Natal women's congress of the National Party.

(c) An announcement by the State President in Amanzimtoti (Natal) stating that the Government will sign international conventions relating to women and women's rights.

Forum on curtailment of cost of medicine

403. Mr M J ELLIS asked the Minister of National Health:

(1) Whether, with reference to her reply to Question No 348 on 19 June 1992, all interested parties have commented on the record of the proceedings of the forum held on 28 Feburary 1992; if not, when is it anticipated that this will be the case; if so, what parties;

(2) whether she is in a position to commission any investigations as recomended at this forum; if not, why not; if so, what are the relevant details;

(3) whether any such investigations have been commissioned to date; if not, why not; if so, (a) by whom and (b) on which recommendations;

(4) whether she will make a statement on the matter? B906E

The MINISTER OF NATIONAL HEALTH:

(1) Only 8 (eight) interested groups submitted comments on the report of the forum. The groups are:

The South African Pharmacy Council
The Medical Association of South Africa
The Pharmaceutical Manufacturers' Association of South Africa
National Association of Pharmaceutical Wholesalers
The South African Nursing Association
Noristan Group
Patients Rights Organisation of South Africa
Pfizer South Africa;

(2) yes, no investigation excepting those by the working groups have until now been commissioned;

(3) no, a working group has been appointed to investigate the recommendations of the forum and to report back;

(4) no.

Importation of parallel medicines

404. Mr M J ELLIS asked the Minister of National Health:

(1) Whether the Medicines Control Council has considered, is considering or intends considering regulations to allow the im-

cont-d.

portation of parallel medicines; if not, why not; if so, when;

(2) whether the proposed regulations have been or are to be (a) made known to and/or (b) discussed with interested parties; if not, why not; if so, what are the relevant particulars;

(3) whether she will make a statement on the matter? B907E

The MINISTER OF NATIONAL HEALTH:

(1) Yes, the Medicines Control Council is at present investigating the desirability of requesting the amendment of certain regulations made in terms of the Medicines and Related Substances Control Act, 1965 (Act 101 of 1965);

(2) yes, any proposed amendment of regulations must be published for comment unless the Minister is of the opinion that the public interest requires the regulation to be made without delay;

(3) no.

Discussions on health services

405. Mr M J ELLIS asked the Minister of National Health:

(1) Whether, subsequent to discussions held on 28 September 1992, a paper entitled "Announcement of a strategy to manage health services in the present economic climate" was published; if so, what are the names of the main participants and professional groups involved in these discussions;

(2) whether one of the aims discussed was to stimulate discussions on how health services could be made more affordable; if so, what items were discussed in this connection;

(3) whether the points debated at the forum held on 28 February1992 have been reviewed; if not, why not; if so, which points;

(4) whether any decisions have been taken on any of these points; if so, what decisions;

(5) whether she will make a statement on the matter? B908E

The MINISTER OF NATIONAL HEALTH:

(1) Following the discussion held on the 28 September 1992 with certain roleplayers on financial questions in the field of health I released a press statement entitled "Announcement of a strategy to manage health services in the present economic climate".

The main participants and professional groups involved in these discussions were:

Dr E H Venter MP
Minister of National Health and of Health Services: House of Assembly

Rev A A Julies MP
Minister of Health Services and Welfare: House of Representatives

Dr A S Jacobs
Department of Finance

Mr J W H Meiring
Administrator of the Cape of Good Hope

Mr D E T le Roux
Member of the Executive Committee: Cape

Mr J H A Beukes
Director-General: Provincial Administration of the Cape of Good Hope

Dr G S Watermeyer
CPA Branch: Hospital and Health Services

Mr C J van R Botha
Administrator of Natal

Mr P M Miller
Member of the Executive Committee: Natal

Dr N E Howes
Director-General: Provincial Administration of Natal

Dr L van der Watt
Administrator of the Orange Free State

Dr P J C Nel
Member of the Executive Committee: Orange Free State

Dr J H Kotzé
PAO Branch: Health Services

Mr S E S Ferreira
Member of the Executive Committee: Transvaal

Mr A Cornelissen
Director-General: Provincial Administration of the Transvaal

Dr H van Wyk
TPA Branch: Health Services

Mr P D McEnery
Director-General: Administration: House of Representatives

Dr L J Nel
Ministerial Representative

Mr R Dercksen
Ministerial Representative

Dr M H Veldman
Ministerial Representative

Mr H J Smith
Ministerial Representative

Mr R E Redinger
Ministerial Representative

Dr J H Kruger
Supervisory Board, Bloemfontein

Mr B B Humphris
Supervisory Board, Witwatersrand

Prof G Everingham
Supervisory Board, Cape Town

Prof J V Leatt
University of Natal

Prof J R van Dellen
University of Natal

Prof G J de Korte
Medunsa

Prof J Terblanche
University of Cape Town

Prof C W I Pistorius
University of Pretoria

Prof J V van der Merwe
University of Pretoria

Prof H P Wasserman
University of Stellenbosch

Prof C J C Nel
University of Orange Free State

Prof A D Rothberg
University of the Witwatersrand

Dr P S Maharaj
Administration: House of Delegates

Dr J E Pieterse
Administration: House of Assembly

Dr C F Slabber
Director-General: National Health and Population Development

Professional Groups:

Dr D A Green
Medical Association of South Africa

Mrs S J du Preez
Nursing Council of South Africa

Dr A M Bruwer
Nursing Council of South Africa

Prof M E Muller
Nursing Council of South Africa

P R de Kock
Environmental Health Officers Association of South Africa

R D Kennedy
Medunsa

Mrs L Munro
Society of Radiographers

Ms M Horak
Society of Radiographers

Ms A Hugo
Society of Radiographers

Dr M Adam
Society of Dispensing Family Practitioners

Cmdt H C Grobler

SA Association of Biochinetics

Mr M Tepper
Society of Medical Laboratory Technologists of South Africa

Prof B van Os
Dental Association of South Africa

Mr W Kriel
Pharmaceutical Society of South Africa

G N Lyne
Pharmaceutical Society of South Africa

E D Smith
South African Society of Physiotherapy

M W Cheyne
Orthotic and Prosthetic Association of South Africa

portation of parallel medicines; if not, why not; if so, when;

(2) whether the proposed regulations have been or are to be (a) made known to and/or (b) discussed with interested parties; if not, why not; if so, what are the relevant particulars;

(3) whether she will make a statement on the matter? B907E

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(1) Whether, subsequent to discussions held on 28 September 1992, a paper entitled "Announcement of a strategy to manage health services in the present economic climate" was published; if so, what are the names of the main participants and professional groups involved in these discussions;

(2) whether one of the aims discussed was to stimulate discussions on how health services could be made more affordable; if so, what items were discussed in this connection;

(3) whether the points debated at the forum held on 28 February1992 have been reviewed if not why not if so what decisions;

(4) whether any decisions have been taken on any of these points; if so, what decisions;

(5) whether she will make a statement on the matter? B908E

The MINISTER OF NATIONAL HEALTH:

(1) Following the discussion held on the 28 September 1992 with certain roleplayers on financial questions in the field of health I released a press statement entitled "Announcement of a strategy to manage health services in the present economic climate".

The main participants and professional groups involved in these discussions were:

Dr E H Venter MP
Minister of National Health and of Health Services: House of Assembly

Rev A A Julies MP
Minister of Health Services and Welfare: House of Representatives

Dr A S Jacobs
Department of Finance

Mr J W H Meiring
Administrator of the Cape of Good Hope

Mr D E T le Roux
Member of the Executive Committee: Cape

Mr J H A Beukes
Director-General: Provincial Administration of the Cape of Good Hope

Dr G S Watermeyer
CPA Branch: Hospital and Health Services

Mr C J van R Botha
Administrator of Natal

Mr P M Miller
Member of the Executive Committee: Natal

Dr N E Howes
Director-General: Provincial Administration of Natal

Dr L van der Watt
Administrator of the Orange Free State

Dr P J C Nel
Member of the Executive Committee: Orange Free State

Dr J H Kotzé
PAO Branch: Health Services

Mr S E S Ferreira
Member of the Executive Committee: Transvaal

Mr A Cornelissen
Director-General: Provincial Administration of the Transvaal

Dr H van Wyk
TPA Branch: Health Services

Mr P D McEnery
Director-General: Administration: House of Representatives

Dr L J Nel
Ministerial Representative

Mr R Dercksen
Ministerial Representative

Dr M H Veldman
Ministerial Representative

Mr H J Smith
Ministerial Representative

Mr R E Redinger
Ministerial Representative

Dr J H Kruger
Supervisory Board, Bloemfontein

Mr B B Humphris
Supervisory Board, Witwatersrand

Prof G Everingham
Supervisory Board, Cape Town

Prof J V Leatt
University of Natal

Prof J R van Dellen
University of Natal

Prof G J de Korte
Medunsa

Prof J Terblanche
University of Cape Town

Prof C W I Pistorius
University of Pretoria

Prof J V van der Merwe
University of Pretoria

Prof H P Wasserman
University of Stellenbosch

Prof C J C Nel
University of Orange Free State

Prof A C Rumpff
University of the Witwatersrand

Dr P S Maharaj
Administration: House of Delegates

Dr J E Pieterse
Administration: House of Assembly

Dr C F Slabber
Director-General: National Health and Population Development

Professional Groups:

Dr D A Green
Medical Association of South Africa

Mrs S J du Preez
Nursing Council of South Africa

Dr A M Bruwer
Nursing Council of South Africa

Prof M E Muller
Nursing Council of South Africa

P R de Kock
Environmental Health Officers Association of South Africa

R D Kennedy
Medunsa

Mrs L Munro
Society of Radiographers

Ms M Horak
Society of Radiographers

Ms A Hugo
Society of Radiographers

Dr M Adam
Society of Dispensing Family Practitioners

Cmdt H C Grobler
SA Association of Biochinetics

Mr M Tepper
Society of Medical Laboratory Technologists of South Africa

Prof B van Os
Dental Association of South Africa

Mr W Kriel
Pharmaceutical Society of South Africa

G N Lyne
Pharmaceutical Society of South Africa

E D Smith
South African Society of Physiotherapy

M W Cheyne
Orthotic and Prosthetic Association of South Africa

Drive to promote generic medicines

KATHRYN STRACHAN

LOCAL pharmaceutical manufacturers are launching an education drive to encourage people to ask their doctors or pharmacists for more affordable local generic medicines, rather than accepting expensive foreign products.

Lennon Generics CE Dave Stubbins said SA health care costs would be reduced significantly through the wider use of generic medicines — and this trend would be accelerated by the expected deregulation of the health care system.

He said deregulation was likely to see the reintroduction of generic substitution — the pharmacist's right to supply a generic equivalent to the branded original prescribed by the doctor, should the patient want it.

A commonplace practice elsewhere in the world, Stubbins said substitution was permitted in SA briefly in 1985 until pressure from the multinational manufacturers forced the Pharmacy Council to ban it again.

While generic medicines — typically up to 60% less expensive than the branded products — were widely used in SA's public health care sector, there was considerable scope for their increased application in the private sector, he said.

Generics accounted for almost 25% of all medicines dispensed in SA, while the comparable figure in the US was 60%.

"Since 1983, the annual increase in medical scheme contributions has been 10% ahead of the inflation rate, primarily due to the rise in medicine prices.

"Earlier this year National Health director-general Coen Slabber noted that SA medicine prices were now higher than in virtually all Western countries. The burden of the cost of medicine has become severe," said Stubbins.

Meanwhile Health Minister Rina Venter last night told members of the Pharmaceutical Association of SA that substitution would play an ever increasing role.

As the patents of branded medicines expired, more alternatives would become available and the cost saving to the consumer was likely to be significant, she said.

Venter said the Medicines Control Council was satisfied that all registered medicines complied with standards in terms of quality and efficacy. She added that post-registration monitoring was carried out continually by the council.

TUESDAY, 24 NOVEMBER 1992

Joint Committee on Finance (Land Bank Amendment Bill [B130–92 (GA)], Financial Institutions Second Amendment Bill [B 131–92 (GA)] and Mutual Building Societies Amendment Bill [B3—93 (GA)]).

Management Committee of Parmed Medical Aid Scheme.

WEDNESDAY, 25 NOVEMBER 1992

Joint Committee on Finance (Land Bank Amendment Bill [B130–92 (GA)], Financial Institutions Second Amendment Bill [B131–92 (GA)] and Mutual Building Societies Amendment Bill [B3–93 (GA)]).

THURSDAY, 26 to FRIDAY, 27 NOVEMBER 1992

Joint Committee on Home Affairs (Registration of Newspapers Amendment Bill [B1–93 (GA)], Aliens Control Amendment Bill [B8–93 (GA)] and Identification Amendment Bill [B9–93 (GA)]).

Joint Committee on Agriculture, Water Affairs and Forestry (Reports, Agricultural Research Amendment Bill [B2–93 (GA)], Liquor Products Amendment Bill [B5–93 (GA)] and Veterinary and Para-Veterinary Professions Amendment Bill [B10–93 (GA)]).

Enquiries: Mr W. Fourie, Head: Committee Section, Tel. (021) 403-2568 Beltel Page No. 3199.

(20 November 1992)

DINSDAG, 24 NOVEMBER 1992

Gesamentlike Komitee oor Finansies (Wysigingswetsontwerp op die Landbank [W 130–92 (AS)], Tweede Wysigingswetsontwerp op Finansiële Instellings [W 131–92 (AS)] en Wysigingswetsontwerp op Onderlinge Bouverenigings [W3–93 (AS)]).

Bestuurskomitee van Parmed Mediese Hulpskema.

WOENSDAG, 25 NOVEMBER 1992

Gesamentlike Komitee oor Finansies Wysigingswetsontwerp op die Landbank [W 130–92 (AS)], Tweede Wysigingswetsontwerp op Finansiële Instellings [W 131–92 (AS)] en Wysigingswetsontwerp op Onderlinge Bouverenigings [W3–93 (AS)]).

DONDERDAG, 26 tot VRYDAG, 27 NOVEMBER 1992

Gesamentlike Komitee oor Binnelandse Sake (Wysigingswetsontwerp op die Registrasie van Nuusblaaie [W 1–93 (AS)], Wysigingswetsontwerp op Vreemdelinge-beheer [W 8–93 (AS)], Wysigingswetsontwerp op Identifikasie [W9–93 (AS)] en Wysigingswetsontwerp op Veterinêre en *Para*-veterinêre Beroepe [W 10–93 (AS)]).

Gesamentlike Komitee oor Landbou, Waterwese en Bosbou (Verslae, Wysigingswetsontwerp op Landbounavorsing [W2–93 (AS)] en Wysigingswetsontwerp op Drankprodukte [W 5–93 (AS)]).

Navrae: Mnr. W. Fourie, Hoof: Komitee-afdeling, Tel. (021) 403-2568 Beltel bladsyno. 3199.

(20 November 1992)

BOARD NOTICES • RAADSKENNISGEWINGS

BOARD NOTICE 334 OF 1992

THE SOUTH AFRICAN PHARMACY COUNCIL

NOTICE IN TERMS OF SECTION 45 (2) OF THE PHARMACY ACT, 1974 (ACT 53 OF 1974)

Particulars of the following persons found quilty of improper or disgraceful conduct by the South African Pharmacy Council after due inquiry into their conduct, are published for general information:

Name of person	Nature of offence of which found guilty	Penalty imposed
Johannes Fourie VENTER	***Improper conduct:*** Wrongfully and in contravention of the Pharmacy Act, 1974, practising as a pharmacist, doing business and performing acts for gain while not registered as a pharmacist	Reprimanded and cautioned.
Maria Magdaleen VENTER	***Improper conduct:*** Wrongfully and in contravention of the Pharmacy Act, 1974, practising as a pharmacist, doing business and performing acts for gain while not registered as a pharmacist	Reprimanded and cautioned.
Mark David VAN WIJK	***Improper conduct:*** Allowing or failing to prevent unregistered persons from selling Schedule 2 substances	Reprimanded and cautioned.

D. NAUDÉ,
Registrar.

FM 11/12/92

GENERIC DRUGS

Siding with consumers

Consumers hit by the high cost of drugs got a break from the courts recently. The Appellate Division ruled against a pharmaceutical manufacturer trying to block software that makes it easier for pharmacists to sell generic — and usually cheaper — equivalents of prescribed drugs.

The saga began when the UK-based Beecham pharmaceutical group discovered that Superscripts, a software program that helps pharmacists in dispensing medicines, showed that the seven Beecham drugs listed were in most cases more expensive than their generic equivalents. Beecham tried to stop Superscripts' sales effort by claiming that the software firm was infringing its trademarks by listing its branded drugs for the purpose of price comparisons.

The court's rejection of the application was unanimous. Chief Justice Michael Corbett described Beecham's argument as leading to results that would border on the absurd. In the landmark decision for trademark law, the judge suggested that to include the information about Beecham's products in an index of this sort was not the same thing at all as trading in those products and did not infringe the trademarks.

Says David Boyce, chairman of Medikredit and Superscripts, which are both wholly owned subsidiaries of the Pharmaceutical Society of SA or its branches: "The decision is a resounding victory for consumers. Had Beecham succeeded with its application, pharmacists, doctors or in fact anyone,

cont —>

would have been prohibited by law from informing consumers about the availability of any alternative product or providing price comparisons to the public."

Superscripts was designed 10 years ago but didn't take off until 1985 with the advent of Medikredit's Maximum Medical Aid Pricing system. The system, to which medical schemes belong voluntarily, sets a maximum price that schemes will pay for an active ingredient — whether this is contained in a branded drug or a generic equivalent. Beneficiaries can accordingly request their practitioner or pharmacist to prescribe or dispense the cheaper equivalent. Today, Superscripts operates nationally with about 500 pharmacists using the program.

Subscribers to the system have also boomed. Says Boyce: "In 1990, 250 000 members belonged. Membership (including people in medical aid schemes) has now reached 1m."

Propelling the software and the pricing system has been the growth of generics as more generic equivalents become available and the public becomes more aware of them. Boyce points out that in 1988 generic sales accounted for 2,6% of all private-sector drug sales. This figure now stands at around 12%.

Clearly, this doesn't go down well with the major drug manufacturers. Says Johan Moorcroft, a legal adviser to the Pharmaceutical Manufacturers' Association, who attended the proceedings: "I believe Superscripts is objectionable because it portrays two different products as being equivalent — something that has never been scientifically validated. What wasn't discussed in the case was that the non-active ingredients in drugs are often absorbed by the body differently and, accordingly, react differently, irrespective of the active ingredient common to both the patented drug and the generic."

But, with a 30-year unblemished record in SA's public sector, generics are clearly here to stay and the manufacturers will have to learn to live with them. ■

Board rules to ban bias in drug prices

B1 Dmy 23/12/92 (96)

PETER DELMAR

THE Competition Board has ruled that drug manufacturers may not discriminate in favour of dispensing doctors — a finding likely to be welcomed by retail pharmacists and wholesalers.

A report being circulated by the board recommends that it be illegal for a manufacturer of prescription medicines to discriminate, except under certain circumstances, and that the manufacturer not discriminate between its buyers.

The report found that whereas in 1984 pharmacies were responsible for 90% of private sector prescription sales, doctors now had a 30% share of the R1,1bn market. There were 6 999 dispensing doctors, 2 800 pharmacists and 75 to 80 wholesalers.

During its investigation, the board heard that wholesalers received the worst prices, despite usually buying the largest quantity of medicines over the widest ranges.

Manufacturers encouraged doctors to register as dispensing doctors, particularly after pharmacists were allowed to substitute cheaper generic medicines for prescribed patent drugs in 1984.

Despite invariably buying smaller volumes, doctors paid prices up to 25% lower than those paid by the wholesalers, through a variety of discounts. These savings were generally not passed on to the patient.

Wholesalers told the board price discrimination threatened their livelihood.

The board found that dispensing by doctors represented a restrictive practice. Because of their relationships with patients, dispensing doctors enjoyed an advantage over retail pharmacists. "The undeniable advantage which the doctor enjoys in dispensing poses a direct restriction on competition. When a doctor dispenses, com-

☐ To Page 2

Drug prices

B1 Dmy 23/12/92 (96)

☐ From Page 1

petition between him and a pharmacist can in fact be completely eliminated."

The board found that the doctor also enjoyed an advantage in that he was not obliged to keep a full inventory of drugs as was the pharmacist. It did not accept that doctors were unable to prevent generic substitution by pharmacists.

Existing price discrimination favoured manufacturers who applied such discrimination, the dispensing doctor and dispensing doctors' patients who could not afford high prices. It prejudiced manufacturers who did not discriminate, wholesalers who were cut out of the distribution chain, certain retail pharmacies and the public.

The board also decided that continuing restrictions on advertising by pharmacists was not in the public interest.

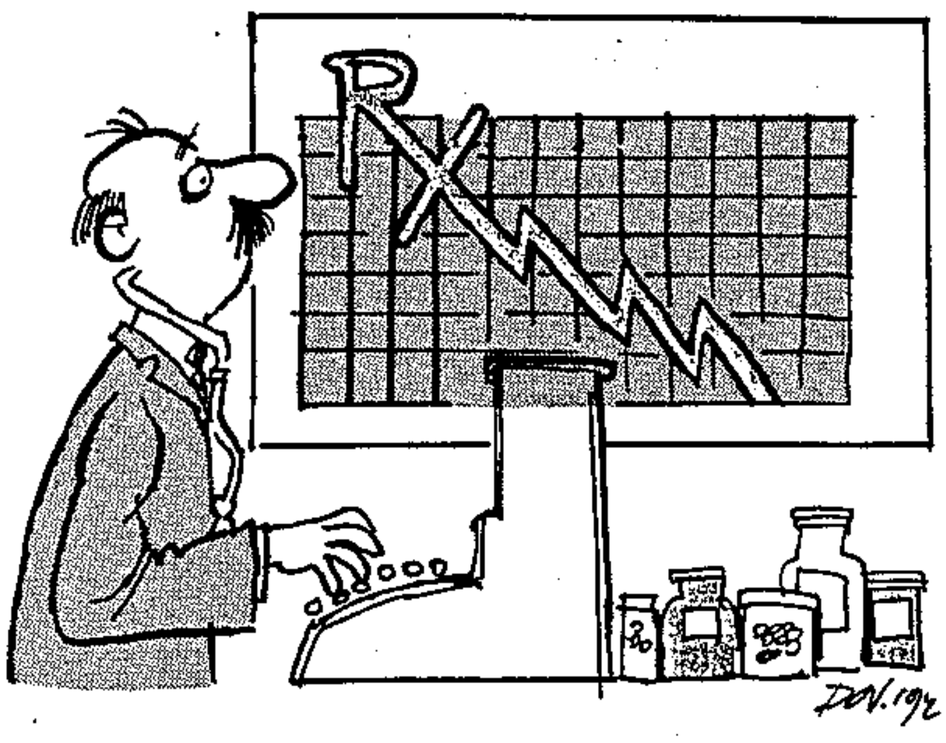
The report is with Public Enterprises Minister Dawie de Villiers for his decision.

DRUG SALES

Ending doctors' profit bonanza

Back in 1984, in an effort to contain escalating drug prices, pharmacists were allowed for the first time to substitute patented drugs with cheaper generic equivalents.

Drug manufacturers, incensed by the reform, began encouraging doctors to buy drugs from them and then sell directly to the public. For many, the offer, sweetened by huge price cuts, was irresistible — doctors could obtain discounts that undercut wholesalers by as much as 50%. For the manufacturer, the doctor often became a valuable marketing tool, pushing drug lines via the prescription pen.



The party, however, could soon be over. Last week the Competition Board released proposals that if accepted by Public Enterprises Minister Dawie de Villiers, would force manufacturers to charge the same price to all buyers of prescription medicine.

The board's recommendations are far-reaching. Describing the special pricing relationship between manufacturers and doctors as uncompetitive, the board proposes that manufacturers should be prohibited from selling or disposing of medicine in any way that discriminates between buyers or recipients of the medicine.

The proposals are certain to become controversial as copies of the report circulate among the industry's players. So far, the organisations whose members would have the most to lose, representing the pharmaceutical manufacturers and doctors, have been muted in their response. Also sure to raise objections are critics of more government intervention in the economy. They'll argue that telling companies how to charge for products is none of government's business; that if manufacturers want to give enormous discounts to doctors, that's their right.

Says Wouter Meyer, of the board's investigations directorate: "The principle underlying the board's thinking is that there should be no discrimination for an equivalent transaction. Put differently, if a buyer purchases 1 000 pills, he should pay less per unit than the person who buys only 100 pills."

He explains that wholesalers have been particularly aggrieved that doctors, who buy relatively small quantities of medicine from manufacturers, obtain larger discounts than wholesalers, who buy the same medicine in bulk. They argue that little or none of these discounts is passed on to the consumer.

Of course, the nub of the issue is an ethical one. Can a doctor who dispenses for profit be objective?

Medical schemes report having processed claims by doctors who have dispensed more than R800 000 in medicines in a single year. Comparative statistics are also telling. Five years ago, only 10% of all private-sector prescriptions were dispensed by doctors. Today, this figure stands at around 30%.

A major bone of contention is that many doctors have become little more than traders, using their discounts to bypass the formal wholesale and retail distribution chain.

They can sell drugs to wholesalers and retailers at less than the manufacturers' prices.

Welcoming the board's recommendations, Wolf Furst, of the National Association of Pharmaceutical Wholesalers, explains that this practice merely inflates the price of medicine to the consumer. "If these sales to dispensing doctors continue — lower volumes at lower prices — the consumer price will have to increase."

Meyer says the board noted that the Medical Act prohibits doctors from trading. The board, however, suggests that the Medical & Dental Council should enforce its own laws in this instance.

Responding to the recommendations, Medical Association of SA health policy director Reg Magennis says dispensing doctors have been somewhat of a mixed blessing. While they have introduced competition to the traditional distribution chain, there are dangers to fragmenting this rigid chain.

He suggests that a less formal distribution chain could threaten quality and standards. He adds: "The association fully supports the values associated with free-market competition, and will therefore continue to support dispensing by doctors, provided it complies with the norms associated with high-quality clinical practice."

Coupled to this thinking is the board's insistence that pharmacies be allowed to advertise fully. Now, they can advertise only prices of specific drugs. While this enables consumers to shop around for repeat prescriptions, it does little to inform them about general discounts available on all medicines.

Meyer doesn't foresee that the dispensing doctor will cease to operate, should the Minister accept the board's recommendations. He says that most doctors — particularly those practising in remote areas and townships — buy from wholesalers and will continue to offer a valuable service to patients. "The doctor who dispenses and trades as a mini-wholesaler, however, could find that his side-dealings become less lucrative."

Of course, the difficulty of policing a single exit price could render the board's recommendations useless. But Meyer disagrees. "We can't expect to catch everyone, but we could make an example of a few people. Wholesalers are especially likely to monitor deals and could report them to the police." A conviction under the Maintenance & Promotion of Competition Act could result in a five-year prison term or a fine of up to R100 000, or both.

On this score the Pharmaceutical Manufacturers' Association makes a valuable point.

It suggests that a deregulated market, in which group practices and medical aid-run health maintenance organisations operate their own cost-effective dispensaries, could well eliminate the need for the board's recommendations and the problem of trying to police it.

Mirryéna Deeb

TELECOMMUNICATIONS

Hello, America

Telkom's monopoly on international calls will take a beating in the new year when several private companies switch on. WorldPhone, the local subsidiary of US telecommunications company Viatel, has been operating for about four months.

WorldPhone CE Jerome Swersky won't say how many subscribers he's signed up but he plans to boost the size of his staff early next year. "Our volumes are picking up nicely and more corporates are coming in."

Other long-distance services due to start in the new year include US telephone giant MCI and New York-based International Discount Telecommunications (IDT). AT&T says it won't come in until the ANC calls for an end to sanctions.

WorldPhone and IDT offer cut-rate international services by giving subscribers access to the US telephone network. Subscribers to either company dial assigned numbers at switchboards in the US and then hang up.

the work of the earlier committee established by the Goldstone com-

violence."

Police needed to respond to calls

tempts to launch a local dispute resolution committee had failed.

Fixed medicine prices would hit poor hardest, warns Masa

PETER DELMAR

THE Medical Association of SA (Masa) has warned that enforcing uniform selling prices for prescription medicines could have a detrimental effect on poorer communities.

Responding to recommendations by the Competition Board that drug manufacturers not be allowed to discriminate in selling medicines to doctors, wholesalers and pharmacists, the association said it acccepted that price discrimination had a negative effect on the distribution chain.

Masa's health policy director Reg Magennis said the association was concerned that the proposed single exit price policy would have a negative impact on the valuable role played by dispensing doctors serving poorer communities.

"These doctors have been able to provide medication to poor patients at reduced prices.

"The Competition Board has indicated that exceptions could be made under justifiable circumstances. Masa regards any service to an indigent patient as a circumstance which warrants a concession."

Although Masa supported free market competition and was against price fixing, it recognised that price discrimination had a negative impact on the efficiency within the distribution chain, and that a single exit price policy could result in structural improvements to the existing system.

Magennis said Masa supported dispensing by doctors if this was "in keeping with the norms associated with high quality clinical practice, in the interests of patients".

The Competition Board's investigation followed complaints that doctors were receiving discounts relative to wholesalers and other buyers of prescription medicines, despite buying smaller quantities.

The board's recommendation is currently with Public Enterprises Minister Dawie de Villiers, who is expected to decide whether to accept the recommendation early next year.

Security radio link for farmers

STEPHANE BOTHMA

AN EXTENSIVE private radio communications system is being installed in the southern Free State, enabling farmers to be in constant contact with each other and local security forces.

The Agri-Alert two-way radio system, with facilities similar to those made available to farmers during the Rhodesian bush war, was one of the biggest installed in SA, a spokesman for suppliers Afritech, Mike Myers, said yesterday.

The system operated on the basis whereby farmers in a specific area were linked by radio between their homes and vehicles and also between themselves with hand-held radios, Myers said.

"The system is also directly linked to and and monitored by police and military establishments, who will provide quick response capability to farm homesteads in times of attack," he said.

Although nationwide government-owned alert systems have some merit, it was far better for groups of farmers to organise themselves on a co-operative basis, Myers said.

Business Day

FINANCIAL ADVERTISING AWARDS

PART III: DRIVERS OF MOTOR VEHICLES

10. CLAUSE 2

Substitute the following for the entire clause 2 (1) (a):

"(1) The minimum wage which shall be paid weekly by an employer to drivers of motor vehicles, shall be as set out in clauses 1.12 and 2A.19 of Part II.".

This Agreement signed at Port Elizabeth, on behalf of the parties, this 5th day of November 1992.

J. B. CONNACHER,
Chairman of the Council.

S. M. LE ROUX,
Vice-Chairman of the Council.

I-M. DUNSTAN,
Secretary of the Council.

DEPARTMENT OF NATIONAL HEALTH AND POPULATION DEVELOPMENT

No. R. 3452 (96) **31 December 1992**

THE SOUTH AFRICAN PHARMACY COUNCIL

REGULATIONS RELATING TO THE FEES PAYABLE BY AND TO THE COUNCIL UNDER THE PHARMACY ACT, 1974: AMENDMENT

The Minister of National Health has, on the recommendation of the South African Pharmacy Council, in terms of section 49 of the Pharmacy Act, 1974 (Act No. 53 of 1974), made the regulations set out in the Schedule hereto.

SCHEDULE

1. In this Schedule "the Regulations" means the regulations published under Government Notice No. R. 2235 of 4 November 1988, as amended by Government Notices Nos. R. 550 of 16 March 1990, R. 2476 of 26 October 1990 and R. 2551 of 25 October 1991.

Amendment of regulation 2 of the Regulations

2. Regulation 2 of the Regulations is hereby amended—

(a) by the substitution in subregulation (1) (b) (ii) for the expression "R25" of the expression "R50";

(b) by the substitution in subregulation (1) (c)—

(i) for the expression "R100" of the expression "R150"; and

(ii) by the substitution for the expression pharmacist-intern receives" of the expression "pharmacist-intern and a pharmmacist's assistant undergoing the Council's in-service training course receive";

(c) by the substitution in subregulation (1) (d) (iii)—

(i) for the expression "R50" of the expression "R90"; and

(ii) for the expression "February" of the expression "June";

(d) by the substitution in subregulation (1) (e) (iii) for the expression "R25" of the expression "R50";

(e) by the substitution in subregulation (1) (e) (iv) for the expression "R25" of the expression "R50,00";

DEEL III: DRYWERS VAN MOTORVOERTUIE

10. KLOUSULE 2

Vervang die hele klousule 2 (1) (a) deur die volgende:

"(1) Die minimum loon wat 'n werkgewer weekliks moet betaal aan elke werknemer wat 'n voertuig dryf, is uiteengesit in klousules 1.12 en 2A.19 van Deel II.".

Namens die partye op hede die 5de dag van November 1992 te Port Elizabeth onderteken.

J. B. CONNACHER,
Voorsitter van die Raad.

S. M. LE ROUX,
Onder-voorsitter van die Raad.

I-M. DUNSTAN,
Sekretaris van die Raad.

DEPARTEMENT VAN NASIONALE GESONDHEID EN BEVOLKINGS-ONTWIKKELING

No. R. 3452 **31 Desember 1992**

DIE SUID-AFRIKAANSE APTEKERSRAAD

REGULASIES BETREFFENDE DIE GELDE WAT KRAGTENS DIE WET OP APTEKERS, 1974, AAN EN DEUR DIE RAAD BETAALBAAR IS: WYSIGING

Die Minister van Nasionale Gesondheid het, op aanbeveling van die Suid-Afrikaanse Aptekersraad, kragtens artikel 49 van die Wet op Aptekers, 1974 (Wet No. 53 van 1974), die regulasies in die Bylae hiervan uiteengesit, uitgevaardig.

BYLAE

1. In hierdie Bylae beteken "die Regulasies" die regulasies afgekondig by Goewermentskennisgewing No. R. 2235 van 4 November 1988, soos gewysig by Goewermentskennisgewings Nos. R. 550 van 16 Maart 1990, R. 2476 van 26 Oktober 1990 en R. 2551 van 25 Oktober 1991.

Wysiging van regulasie 2 van die Regulasies

2. Regulasie 2 van die Regulasies word hierby gewysig—

(a) deur in subregulasie (1) (b) (ii) die uitdrukking "R25" deur die uitdrukking "R50" te vervang;

(b) deur in subregulasie (1) (c)—

(i) die uitdrukking "R100" deur die uitdrukking "R150" te vervang; en

(ii) die uitdrukking "en 'n aptekerassistent wat die raad se indiensopleidingskursus volg," in te voeg na die uitdrukking "apteker-intern";

(c) deur in subregulasie (1) (d) (iii)—

(i) die uitdrukking "R50" deur die uitdrukking "R90" te vervang; en

(ii) die uitdrukking "Februarie" deur die uitdrukking "Junie" te vervang;

(d) deur in subregulasie (1) (e) (iii) die uitdrukking "R25" deur die uitdrukking "R50" te vervang;

(e) deur in subregulasie (1) (e) (iv) die uitdrukking "R25" deur die uitdrukking "R50" te vervang;

(f) by the substitution in subregulation (1) (e) (v) for the expression "R25" of the expression "R50";

(g) by the substitution in subregulation (1) (e) (x) (aa) for the expression "R252" of the expression "R268,18";

(h) by the substitution in subregulation (1) (e) (x) (bb) for the expression "R126" of the expression "R135";

(i) by the substitution in subregulation (1) (h) (i) for the expression "R250" of the expression "R300"; and

(j) by the substitution in subregulation (4) for the expression "R25" of the expression "R50".

Amendment of regulation 3 of the Regulations

3. Regulation 3 of the Regulations is hereby amended—

(a) by the substitution in subregulation (1) (a) for the expression "R60" of the expression "R100";

(b) by the deletion of subregulation (1) (c);

(c) by the deletion of subregulation (1) (d); and

(d) by the deletion of subregulation (1) (e).

DEPARTMENT OF TRADE AND INDUSTRY

No. R. 3433 **31 December 1992**

AMENDMENT OF SCHEDULE 1 OF THE REGULATIONS PUBLISHED IN TERMS OF THE PATENTS ACT, 1978 (ACT No. 57 OF 1978)

I, David de Villiers Graaff, Deputy Minister of Trade and Industry, acting on behalf and by direction of the Minister of Finance and of Trade and Industry, under the powers vested in him by section 91 of the Patents Act, 1978 (Act No. 57 of 1978), hereby amend the regulations published under Government Notice R. 2470 of 15 December 1978 as amended by Government Notice R. 3163 of 27 December 1991 by the substitution of Schedule 1 thereof, with effect from 1 January 1993, for the following Schedule:

SCHEDULE 1

FEES

The following fees shall be paid in connection with applications, registrations and other matters under the Act. Such fees must in all cases by paid before or at the time of doing the matter in respect of which they are to be paid.

(f) deur in subregulasie (1) (e) (v) die uitdrukking "R25" deur die uitdrukking "R50" te vervang;

(g) deur in subregulasie (1) (e) (x) (aa) die uitdrukking "R252" deur die uitdrukking "R268,18" te vervang;

(h) deur in subregulasie (1) (e) (x) (bb) die uitdrukking "R126" deur die uitdrukking "R135" te vervang;

(i) deur in subregulasie (1) (h) (i) die uitdrukking "R250" deur die uitdrukking "R300" te vervang;

(j) deur in subregulasie (4) die uitdrukking "R25" deur die uitdrukking "R50" te vervang.

Wysiging van regulasie 3 van die Regulasies

3. Regulasie 3 van die Regulasies word hierby gewysig—

(a) deur subregulasie (1) (a) die uitdrukking "R60" deur die uitdrukking "R100" te vervang;

(b) deur die skrapping van subregulasie (1) (c);

(c) deur die skrapping van subregulasie (1) (d); en

(d) deur die skrapping van subregulasie (1) (e).

DEPARTEMENT VAN HANDEL EN NYWERHEID

No. R. 3433 **31 Desember 1992**

WYSIGING VAN BYLAE 1 VAN DIE REGULASIES AFGEKONDIG KRAGTENS DIE WET OP PATENTE, 1978 (WET No. 57 VAN 1978)

Ek, David de Villiers Graaff, Adjunkminister van Handel en Nywerheid, handelende in opdrag van die Minister van Finansies en van Handel en Nywerheid, kragtens die bevoegdheid hom verleen by artikel 91 van die Wet op Patente, 1978 (Wet No. 57 van 1978), wysig hierby die regulasies afgekondig by Goewermentskennisgewing R. 2470 van 15 Desember 1978, soos gewysig by Goewermentskennisgewing R. 3163 van 27 Desember 1991 deur Bylae 1 daarvan, met ingang vanaf 1 Januarie 1993, te vervang deur die volgende Bylae:

BYLAE 1

GELDE

Die volgende gelde is betaalbaar in verband met aansoeke, registrasies en ander aangeleenthede ingevolge die Wet. Sodanige gelde moet in alle gevalle betaal word voor of ten tyde van die behartiging van die aangeleentheid ten opsigte waarvan dit betaalbaar is.

Item No.	Description	Corresponding forms	Fees
			R
1.	Application for a patent accompanied by a provisional specification in terms of section 30 (1) [regulation 22 (1) (a) and (e)]	1 and 6	42
2.	Application for a patent accompanied by a complete specification in terms of section 30 (1) [regulation 22 (1) (a) and (e)]	1, 7 and 8	185
3.	Late claiming of priority in terms of proviso (i) of section 31 (1), per month or part thereof (regulations 23 to 25)	1	35

HEALTH AND DISEASE — PHARMACISTS
1993

FM 22/1/93.

PDC

In need of care

(96)

Activities: *Pharmaceutical wholesaler and distributor.*
Control: *Gresham Industries 86,74%. Premier Group holds ultimate control.*
Chairman: *G M Utian.*
Capital structure: *20,9m ords. Market capitalisation: R15,7m.*
Share market: *Price: 75c. Yields: 2,0% on dividend; 16,1% on earnings; p:e ratio, 6,2; cover, 2,8. 12-month high, 75c; low, 60c. Trading volume last quarter, 33 000 shares.*

Year to Apr 30	**'90**	**'91**	**†'92**
ST debt (Rm)	2,7	0,03	2,1
LT debt (Rm)	(8,4)	6,5	(0,2)
Debt:equity ratio	—	0,1	0,04
Shareholders' interest	0,34	0,33	0,33
Return on cap (%)	7,47	0,38	1,1
Turnover (Rm)	512	522	‡562
Pre-int profit (Rm)	10,9	0,6	‡1,7
Pre-int margin (%)	2,13	0,10	‡0,31
Earnings (c)	39,6	8,7	‡8,4
Dividends (c)	—	3	†3
Net worth (c)	236	235	241

† 13-month trading period. ‡ Annualised.

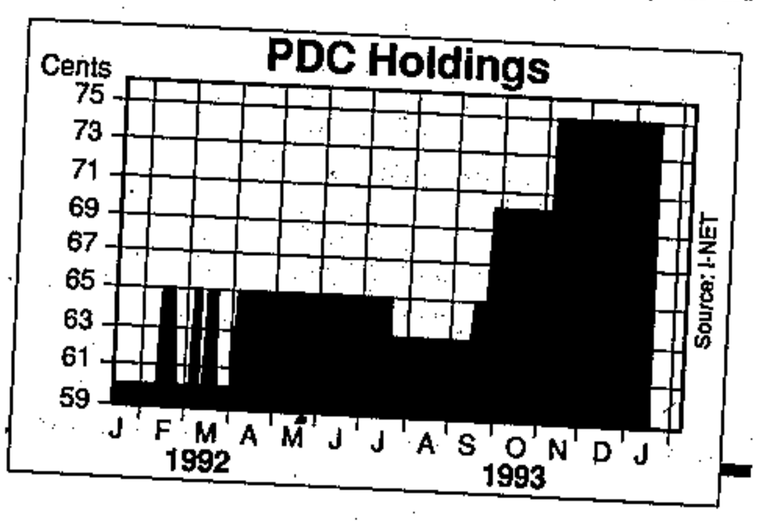
On the face of it, this company has a king-sized headache. Distributing medicines is not a good business to be in — or at least it isn't if you read the latest annual report issued by PDC Holdings, part of the Premier group.

The salient statistics are sombre enough: net worth has barely moved in the three years since PDC was listed on the JSE, the trading margin remains under extreme pressure, turnover has moved little. Most of these difficulties centre on inherent problems that retail pharmacies face, says chairman Gordon Utian.

The retail pharmacy has suffered increasing encroachment on its traditional business by chain stores. That has put margins under pressure. And, in turn, that leads to pharmacists being downgraded by banks as good or acceptable risks. One result is that, increasingly, wholesale suppliers like PDC are being required to support its customers.

Another area of concern is that urban doctors are permitted to dispense medicines. Utian says this is allowing doctors to thrive in an area which isn't their prime business. "Some of them," he says, "are making fortunes out of the drug dispensing business." Utian is adamant it is government's responsibility to level the playing field — by which he means government should ensure the ability of doctors to dispense medicines, at least in urban areas, should be curtailed.

Last year PDC wrote off a net R1,9m in





PDC's Utian ...

FM 22/1/93 (96)

inherent problems

bad debts and rationalisations. However, a note in the directors' report states that R20m has been provided, post-balance sheet, for bad debts expected during financial 1993. PDC will take this into its income statement as an extraordinary item and the amount will be reflected in the balance sheet through a substantial diminution of shareholders' funds.

Premier's long-term intention is to put PDC and other Gresham-held interests into Prempharm. However, the Kroks, as minority shareholders, have lodged strong objections to that plan and the dispute is unresolved (Fox December 11). Their objections are understandable in view of this information about PDC's business. Utian says full details about Gresham and its subsidiaries were disclosed to the Kroks when the Prempharm arrangement was entered into; no information of a material nature was withheld.

That argument will carry on for some time. Meanwhile, shareholders will be relieved that Premier intends to proceed with plans for rationalising all its pharmaceutical distribution operations into a single entity. This has become a business that offers little in the form of acceptable returns. *David Gleason*

Go generic, save on health costs

Doctor, chemist and patient need to liaise

STAR 23/1/93. (96)

SOUTH African health care costs, generally regarded as being among the highest in the world, could be reduced significantly through the wider use of generic medicines and the trend would be accelerated considerably by the expected partial deregulation of the health care system.

This is the view of Dave Stubbins, chief executive of Lennon Generics, who maintains that such deregulation would give the pharmacist, as well as the patient, a greater say in the choice of medicines.

More pragmatic

Lennon is reputed to be the biggest manufacturer and marketer of generic medicines in the southern hemisphere.

Stubbins says: "There could well be a more pragmatic dispensation in which doctor, pharmacist and patient will consult with each other on treatment costs."

Generic medicines are typically up to 60 percent cheaper than the original branded products, of which they are the therapeutic equivalents.

While they are already widely used in the public health care sector, there is considerable scope for their increased application in the private sector.

This can be deduced from the fact that whereas generics currently account for some 25 percent of all medicines dispensed in South Africa, the comparable figure in the US is 60 percent.

Stubbins continues: "Since 1983, the annual increase in medical scheme contributions has been 10 percent ahead of the inflation rate, primarily due to the rise in medicine prices. Earlier this year, Dr Coen Slabber, Director-General of National Health, noted that South African medicine prices were now higher than those of virtually all Western countries.

FINANCE STAFF

The cost burden has become severe.

"It's now generally accepted that some deregulation of our health care system is essential if its spiralling costs are to be contained. This is likely to include the descheduling of some medicines, a greater measure of pharmacist-initiated therapy and the reintroduction of generic substitution — the pharmacist's right to supply a generic equivalent to the branded original prescribed by the doctor, should the patient want it."

A commonplace practice elsewhere in the world, substitution was briefly permitted in 1985 until pressure from the multinational manufacturers forced the Pharmacy Council to ban it again.

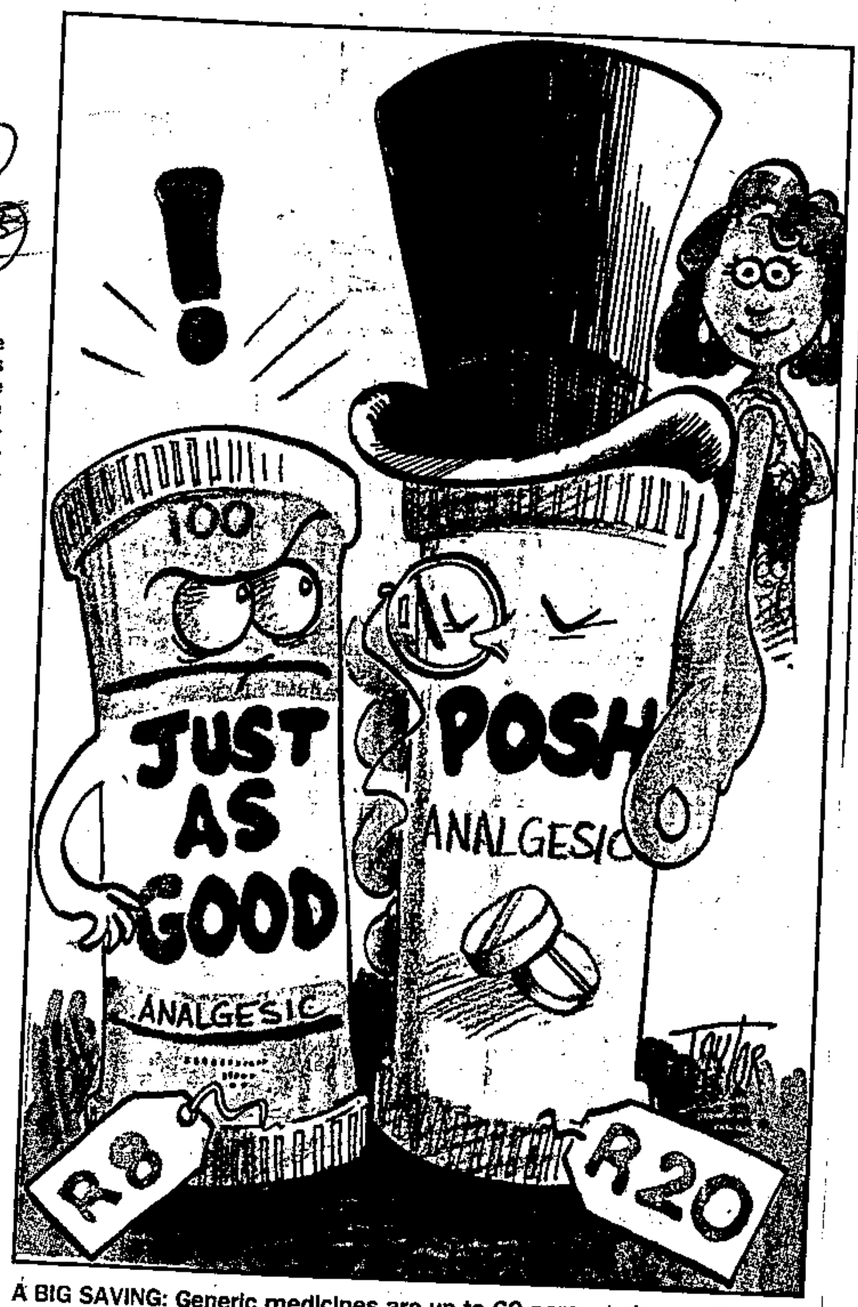
Stubbins predicts that strong advocacy by the medical aid schemes would also be a major contributing factor to the wider use of generics in South Africa.

"They are advising members to ask their doctors to prescribe generic medicines in order to contain their medicine costs," he says.

Stringent standards

"In addition, many of the schemes are moving towards what is known as the MMAP (maximum medical aid price) system, which is based on the cost of generics. This means that if a branded original is dispensed when a generic equivalent is available, the member has to pay the difference," Stubbins says.

"Generics have to meet the same stringent quality and efficacy standards the SA Medicines Control Council sets for all the pharmaceuticals dispensed in this country and can, therefore, be used with complete confidence by the consumer as an affordable equivalent to more expensive branded products."



A BIG SAVING: Generic medicines are up to 60 percent cheaper than the original branded products, of which they are the therapeutic equivalents.

Medicinal 'dirty tricks' row

A PHARMACEUTICAL company has hit back at rival manufacturers who have accused it of operating a medicine supply racket, and claims it is the victim of a "dirty tricks" campaign to remove it from the market.

The SA Medical and Dental Council confirmed yesterday it would be hearing complaints about the company Pharmaceutical Trade Mark.

Details of the allegations that the company was acting unethically by offering kickbacks to doctors who prescribed its products were leaked to the Press earlier this week.

Company chairman Gabe Simaan said rival manufacturers, whom he declined to name, were threatened by his organisation's plans to slash medicine prices within the next few months, and had embarked on a campaign to discredit it.

They were threatened also because his company was the fastest growing local pharmaceutical company.

The controversy centres on the ethical rules governing doctors who are shareholders in public pharmaceutical companies. The rival companies said they had a document showing that Pharmaceutical Trade Mark was offering incentives to doctors, who held shares in the company, to prescribe its products.

Medical Association of SA spokesman Peter Brewer said doctors, in terms of the profession's ethical code, were allowed to be shareholders in a public pharmaceutical company but were barred from giving preferential treatment to its products.

Simaan responded that doctors received no direct benefits for prescribing his company's products.

He said the document was not aimed at doctors, but was a target guideline for sales representatives. The document indicated to sales representatives what dividend could be paid if target sales were reached.

KATHRYN STRACHAN

Doctors quizzed over kickback allegations

STAR 19/2/93. (88) 96

Medical Reporter

Twenty-two doctors, believed to be directors in a pharmaceutical company embroiled in a row over alleged kickbacks to doctors prescribing its medicines, have been asked to explain their positions to the South African Medical and Dental Council.

However, Pharmaceutical Trade Mark Company (PTMC) chairman Gabe Simaan said yesterday the company had been formed within the ethical boundaries of the medical profession and was now being targeted because of its success in the market by lowering the prices of certain medicines.

This follows widespread reports that doctors who are shareholders in PTMC were offered incentives to prescribe its products.

About 200 doctors are believed to be shareholders in the pharmaceutical company.

The row centres on whether or not the shareholder doctors have contravened any ethical rules which prohibit them from engaging in or advocating "the preferential use or prescription of any medicine" for any gain.

Doctors may, however, own shares in a company.

According to the SAMDC, the matter is being given its "urgent attention".

SAMDC spokesman Thelma Winterbach said letters had been written to 22 doctors to inform them of the complaints made about the company. The council was waiting for their replies in order to proceed.

Winterbach confirmed that the National Association of Pharmaceutical Manufacturers had laid a complaint with the SAMDC on February 2 in regard to PTMC.

Simaan said a letter — apparently listing medicines to be prescribed daily in order to reach a monthly target of R5 449 and subsequent dividend of R980,98 — was not sent to doctors but to company representatives.

According to Simaan, many pharmaceutical companies have doctors as shareholders.

Officials of the Medical Association of South Africa are expected to visit the premises of the company today to check its books.

Pharmaceutical index outperforms other sectors

BIDAY 22/2/93. (96)

DUMA GQUBULE

THE PHARMACEUTICAL index has jumped almost 70% to 1 842 points in six months, maintaining its position as one of the strongest sectors on the JSE and outperforming the industrial index.

The sector has consistently outperformed other leading sectors such as banking, transport and tobacco.

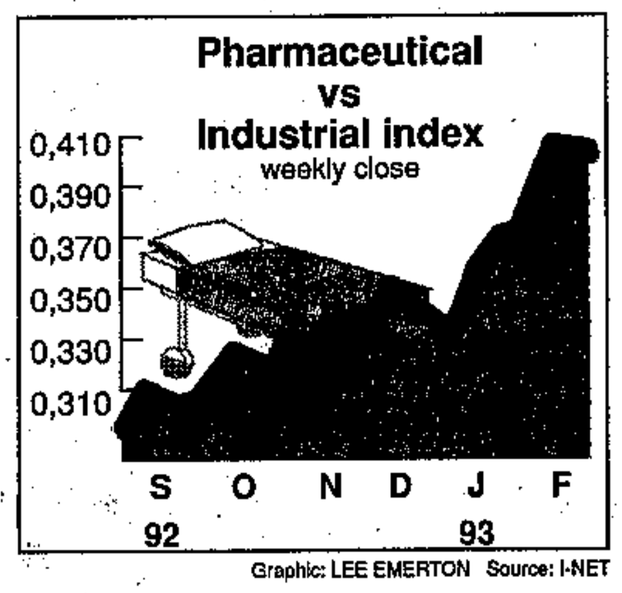
The index, made up of 12 counters, has risen almost without interruption since falling to 368 points during the October 1987 share crash.

The share price of Adcock Ingram, the leading share in the sector, has soared to R81 from R59 six months ago. It is trading on a dividend yield of 1,3%.

Analysts said the domestic sector reflected the worldwide trend of pharmaceutical companies which have traditionally shown above average performance. Industry barriers to entry are high while demand for products had proved "recession-proof", they said.

The main threat to profitability was the trend towards cost-effective health care and increased demand for generic substitutes for established brands. However, major SA companies were already investing heavily in this area and were likely to maintain good results in at least the medium term.

SA Druggists (SAD) has soared to R27,50 from R14 and trades on a dividend yield 1,3.



Graphic: LEE EMERTON Source: I-NET

Premier Pharmaceutical (formerly Twins), now at R14 compared with 650c ago, is on a dividend yield of 2.

A market source said SAD and Premier benefited from new owners who had improved efficiency. SAD, after joining the Malbak fold, was expected to show real earnings growth in financial 1993. Premier Pharmaceuticals has gained after the Krok brothers diluted their controlling stake in the company.

But, the strength of the shares has not helped investors and fund managers looking for value beyond the increasingly over-rated defensive counters.

The source said he "wouldn't touch the shares" at their present demanding ratings, although immediate prospects for dividend growth were better than those of most industrial companies.

He expected pharmaceutical stocks, like all defensive sectors, to underperform the industrial index when the economy turned around.

Premier resolves dispute

Star 1/3/93

By Sven Lünsche

In order to resolve the dispute between itself and the Krok brothers, the Premier Group has decided effectively tosplit its wholesale and retail pharmaceutical business.

Premier announced today that its wholesale pharmaceutical business, which is held by Gresham and consists of PDC, ACA Salters and First Choice Druggists (FCD), would be merged with the successful Medical Cash and Carry Holdings (MCC).

At the same time the rest of the agreement on Prempharm, Premier's retail pharmaceutical arm which was formed last year when Premier acquired Twins Pharmaceuticals from the Kroks, would proceed as planned.

Objected

The Krok brothers had objected to the sale of the Gresham pharmaceutical business, especially PDC, into Prempharm.

Under the new agreement MCC will merge with PDC, which it will acquire from Prempharm for R78 million, ACA, Salters and FCD to form a new company which will eventually seek a JSE listing.

MCC will be responsible for day-to-day management and have a majority shareholding, but Premier will acquire a substantial stake in the new operation.

Dirty tricks amid bitter rivalry

Medical firms accused of Mafia tactics

(96)

B10My 4/3/93

KATHRYN STRACHAN

BITTER rivalry among competing pharmaceutical companies has recently degenerated into a battle of dirty tricks and has led pharmacists to describe the sector as the country's "Mafia industry".

Sources, who do not want their identities disclosed, have told of receiving death threats, of having car tyres slashed and of slander campaigns aimed at discrediting competitiors.

The latest development centres on an SA Medical and Dental Council hearing, which begins tomorrow, into claims that a major pharmaceutical manufacturer has been running a medicine supply racket.

Ahead of the hearing, the Press has been anonymously sent documents which make various accusations about the company under investigation, Pharmaceutical Trade Mark Company (PTMC).

The Medical and Dental Council is to consider complaints lodged by rival companies that PTMC has been acting unethically by allegedly offering kickbacks to doctors who prescribe its products.

PTMC claimed last month that it was the victim of a dirty tricks campaign aimed at discrediting it, and said rival companies were threatened by its plans to cut medicine prices by up to 30% in the next few months.

The "onslaught" had included the slashing of a sales representative's car tyres.

Another player in the industry has reported receiving death threats when he advertised discount prices.

And a medical aid official also had his life threatened when he tried to introduce an innovative payment system which would have put a ceiling on the prices of drugs. As a result of the threats the idea was discarded.

A Pharmaceutical Society spokesman said yesterday he had not received complaints of strong-arm tactics.

However, such practices were a "sign of the times", he said.

"It's symptomatic of the economic realities of the country at the moment. People are doing everything they can to achieve their goals in business.

"Inevitably, every industry has situations which arise which are not appropriate," he said.

National Association of Pharmaceutical Wholesalers spokesman Lex Tannenbaum and Pharmaceutical Manufacturers Association executive director John Toerien said yesterday they had no knowledge of dubious practices in the industry.

The PTMC controversy centres on the ethical rules governing doctors who are shareholders in public pharmaceutical companies.

In terms of the Medical Association of SA ethics guidelines, doctors are allowed to be shareholders in a public pharmaceutical company, but are barred from giving preferential treatment to its products.

PTMC spokesman Gabe Simaan has insisted that doctors who are shareholders in the company have not received any direct benefits for prescribing its products.

Medicine 'mafia' tactics alleged

(9b) CT 4/3/93

Own Correspondent

JOHANNESBURG. — Bitter rivalry among competing pharmaceutical companies has recently degenerated into a battle of dirty tricks and has led pharmacists to describe the sector as the country's "mafia industry".

Sources, who do not want their identities disclosed, have told of death threats, having car tyres slashed and slander campaigns to discredit competitors.

The press has been sent documents anonymously which make accusations about a major pharmaceutical manufacturer, Pharmaceutical Trade Mark Company (PTMC).

The latest development centres on a South African Medical and Dental Council hearing which begins tomorrow into claims that PTMC has been running a medicine supply racket.

The Medical and Dental Council is to consider complaints lodged by rival companies that PTMC has been acting unethically by allegedly offering kickbacks to doctors who prescribe its products.

'Threatened'

PTMC claimed last month that it was the victim of a dirty tricks campaign, including slashed car tyres, saying rival companies were threatened by its plans to cut prices.

Other players in the industry reported receiving death threats when offering lower prices or trying to introduce money-saving payment systems.

A Pharmaceutical Society spokesman said yesterday he had not received complaints of strong-arm tactics. Spokesmen for the National Association of Pharmaceutical Wholesalers and the Pharmaceutical Manufacturers Association said they had no knowledge of dubious practices.

The PTMC controversy centres on the ethical rules governing doctors who are shareholders in public pharmaceutical companies.

Angry women tie up 'se

Own Correspondent

sault against members of the group.

stuffed a rag in his mouth

Pharmacists allowed to advertise

B/DAY 5/3/93

PHARMACISTS can now advertise medicines and their professional services according to free market principles, without the imposition of rigid rulings, the Pharmacy Council announced yesterday.

This also means pharmacists will for the first time be able to offer discount prices on prescribed medicines without having to specify the final price of the product.

The controversy surrounding the role of dispensing doctors and the threat they pose to the pharmaceutical industry was also discussed by the Pharmacy Council at its meeting in Pretoria on Tuesday.

In a statement the Pharmaceutical Council claimed that, despite its own attempts, the SA Medical and Dental Council had failed to effect certain amendments to the Medical and Dental Act aimed at controlling dispensing doctors.

KATHRYN STRACHAN

(96)

"The council has noted with concern the recent findings in the report of the Competition Board in which certain findings and allegations were made with regard to trading medical practitioners," said the council's registrar Chris van Niekerk.

He added the council would press ahead with its plans to give pharmacists greater access to certain medicines listed in higher schedules, to allow the pharmacist to provide affordable and effective treatment.

Other objectives included gaining greater recognition by medical schemes of therapy provided by the pharmacist.

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Probe under way on new baby death drips claims

THE South African Pharmacy Council is investigating new allegations that baby deaths attributed to contaminated drips could have been prevented if basic precautions had been followed.

A charge of misconduct against drip manufacturer Sabax and four dispensaries in private Johannesburg clinics has been brought by Mr Rene Doms, a pharmaceutical consultant, and Dr Adrian Webb, whose baby daughter died after being given an allegedly contaminated drip in September 1990.

By JOCELYN MAKER

Mr Doms said this week the complaint put before the council was based on the 1992 inquest into the deaths of 13 babies.

"During the inquest, not enough importance was paid to the admixing and aseptic techniques used by Sabax during the time of the deaths in 1990," he said.

"There are indications from our investigations that these babies could have been saved if certain internationally-accepted methods had been used by all parties concerned."

Examined

The SA Pharmacy Council has referred the allegations to its legal department for investigation.

Sabax chief executive Ian Strachan said he had not been notified by the council of the allegations.

"We had no idea that they had been made. I have had no direct discussion with Mr Doms and do not know who he is," he said.

"The admix procedures in the unit at Sabax were examined at the inquest and found to be adequate. The inquest proved Sabax was not responsible for the baby deaths."

In November last year, Di Parker, an American-trained technician who was employed at Sabax from November 1984 to September 1991, claimed in a sworn affidavit that "substandard techniques" were applied in one of the company's units.

She did not give evidence at last February's inquest, which found no one could be held responsible for the deaths of the babies.

The affidavit was handed to Witwatersrand Attorney-General Klaus von Lieres who said it could lead to the re-opening of the inquest.

A spokesman for the Department of Justice said any new evidence which could lead to the re-opening of the inquest could be submitted through Deputy Minister Danie Schutte's office to the AG.

Mr Doms and Dr Webb have alleged that Sabax failed to use the safest method of ensuring the sterility and chemical stability of drips which were used on babies between February and September 1990.

Safe

"At no time did Sabax advise clinic staff that the drips were not terminally sterile," said Mr Doms.

"Sabax failed to furnish information for the safe use of the drips, pointing out the danger of using an aseptically prepared drip without an in-line sterilising infusion filter to protect against septicaemia.

"Not one of the clinics used this filter. If they had, it could have prevented the bacteria from entering the babies."

Doctors 'push tariffs up'

ADRIAN HADLAND

PRETORIA — Excessive claims for over-the-counter medicines were forcing medical aid schemes to raise tariffs, Consumer Council executive director Jan Cronje said at the weekend.

Unnecessary claims by consumers for non-prescribed medicines had placed a significant burden on medical aid schemes, forcing them to increase tariffs on a regular basis, he said in a statement.

The council's finding was the result of a comprehensive survey on prescribed medicine prices completed last week. Cronje said doctors who prescribed medicine which was available "over the counter" had contributed to rising medical aid costs.

The survey report also suggested consumers should negotiate with chemists and doctors for more favourable cash prices. The survey showed many chemists and dispensing doctors gave generous discounts for cash when asked. Many medical aid schemes also negotiated discounts with dispensers on behalf of their members.

The survey indicated that the difference in the prices of prescribed medicines, whether from dispensing doctors or from chemists, was negligible.

also as far as Black local authorities are concerned.

I further stated that an inclusive package approach will be followed and that I do not intend to deal with the matter of representation of areas of jurisdiction of management and Local Affairs Committees in City Councils in isolation, but as part of a comprehensive process. The package that I envisage will include the present black local authority areas.

Medical aid schemes: false claims

*18. Mr M J ELLIS asked the Minister of National Health:†

(1) Whether, with reference to certain information that has been furnished to the Minister's Department for the purpose of her reply, her Department has investigated a claim that approximately R2,5 billion or 25 per cent of payments made by medical aid schemes are in respect of fraudulent or false claims; if not, why not; if so,

(2) whether any substantiation has been received of such payments; if so, what are the relevant details;

(3) whether she will consider recommending the appointment of a commission of inquiry and/or appointing a departmental committee of inquiry to investigate the payments allegedly made in respect of such fraudulent or false claims; if not, why not; if so, what steps is it envisaged will be taken in this regard? B329E

The MINISTER OF NATIONAL HEALTH:

(1) No, there is no substantiation or scientific grounds on which the estimated figure is based;

(2) no;

(3) no, since medical schemes apply controlling measures and take action against such parties. This action includes:

— the termination of such members' membership of the scheme and the collection of amounts due; and

— litigation and/or reporting unethical behaviour by suppliers of services to statutory bodies.

Cost of medicine: forum

*19. Mr M J ELLIS asked the Minister of National Health:†

(1) Whether a forum entitled "Curtailing the Cost of Medicine" was held on or about 28 February 1992; if so, what are the names of the members of the working group appointed to investigate the recommendations of the forum;

(2) whether this working group has completed the investigation; if not, why not; if so,

(3) whether she will release the recommendations referred to above; if not, why not; if so, in what manner;

(4) whether this working group consulted with interested parties in the private sector; if not, why not; if so, with whom;

(5) whether she will make a statement on the matter? B330E

The MINISTER OF NATIONAL HEALTH:

(1) Yes, a working group has not yet been constituted. Some of the proposals were referred to the statutory councils—the South African Medical and Dental Council, the Medicines Control Council and the Pharmacy Council. Even before the forum they were attending to these proposals. They have already implemented some of these proposals. The amendments to the Medical Schemes Act also make it possible to implement some of these proposals. The only proposal which cannot be implemented at present is generic replacement. A working group will be constituted should it become clear that the implementation of the other proposals do not have a meaningful influence on the cost of medicines.

(2), (3) and (4) fall away;

(5) No.

Armscor: LM4s/LM5s sold to Transkei

*20. Mr L FUCHS asked the Minister of Defence:

(1) Whether Armscor or any of its affiliates have sold and/or are selling LM4s and LM5s to (a) the Government of and/or (b) any private institutions in Transkei;

(2) whether he will make a statement on the matter? B333E

The MINISTER OF DEFENCE:

(1) and (2) The disclosure of details regarding the sale of armaments by Armscor is prohibited by Sec 11 A of the Act on Armaments, Development and Production, Act No 57 of 1968, as amended, unless so authorised by the Minister.

I am, however, prepared to make a once-only exception to the rule and announce that some 5 years ago, in July 1988, a single consignment of 15 LM5s was sold to the Transkei Development Corporation. In passing it should also be mentioned that since 1 April 1992, Armscor no longer has any affiliates which produce armaments and Armscor itself is in no way directly involved with the manufacture of armaments anymore.

Hijacking of motor vehicles: Johannesburg

*21. Mr D H M GIBSON asked the Minister of Law and Order:

(1) Whether there has been an increase in hijackings of motor vehicles in the north-eastern suburbs of Johannesburg during the past year; if so, to what extent;

(2) whether any steps are contemplated in this regard; if not, why not; if so, what steps? B334E

The MINISTER OF LAW AND ORDER:

(1) No.

(2) The steps which have already been taken and which are being taken on a continuous basis are:

— Increased police patrols;

— Quicker reaction to cases which are reported; and

— A special unit has been established in order to deal with the hijacking of vehicles.

*22. Mr J A Jordaan—National Health.† [Question standing over.]

Ballito: electricity supply

*23. Mr J A JORDAAN asked the Minister of Mineral and Energy Affairs:†

(1) Whether any communities in the vicinity of the municipal area of Ballito have made direct or indirect representations the Electricity Control Board for the supply of electricity to them to be taken over by an institution other than that municipality; if so, what are the relevant details;

(2) whether he will make a statement on the matter? B339E

The MINISTER OF MINERAL AND ENERGY AFFAIRS:

(1) Yes, the relevant details are as follows:

(a) The Borough of Ballito supplies electricity to extra-municipal consumers in the vicinity of its municipal area under the authority of a licence which was issued by the Electricity Control Board (ECB) on 1 April 1987.

(b) From the outset the Borough of Ballito experienced problems with the poor electricity supply network which had been taken over from a previous operator and which had to be upgraded at a considerable cost. This expenditure had to be recovered in the form of increased tariffs to the consumers.

(c) The Durban City Council applied in a letter dated 10 December 1992 for the transfer of the right of supply in Ballito's extra-municipal supply area to that council. The ECB considered this application together with the Borough of Ballito's objection on 12 February 1993 and has called for the Durban City Council's explanation of how it intends supplying the consumers in the Borough of Ballito's extra-municipal supply area, ie whether it intends using Ballito's existing facilities such as its substation and/or transformers or whether it intends obtaining a direct supply from Eskom. The said council was also requested to inform the ECB of whether there would be separation costs and if so, what this would amount to. Ballito was also requested by the ECB to furnish its comments on these matters.

Pharmacists seek action

KATHRYN STRACHAN

RETAIL pharmacists have asked the SA Pharmacy Council to take disciplinary action against manufacturing pharmacists who discriminate in their pricing.

At the SA Association of Retail Pharmacists general meeting last week, pharmacists also endorsed the Competition Board finding that discriminatory pricing should be outlawed because it was a restrictive practice which was not in the public interest. BIDAY 23/3/93.

The practice favoured trading doctors and private hospitals with special prices and resulted in enormous profit-taking by dispensing doctors, with little benefit to the patient, the retailers said. (96)

And retail pharmacists argue that it is the patient who, along with the rest of the private sector, subsidises these handouts.

There is concern that the choice of the prescribed and dispensed product is influenced by the handouts.

Association vice-president David Bayever said the practice of discriminatory pricing was rife. He said that if the retailers' move was approved, it would empower the SA Pharmacy Council to set its own penalties, above those of the Competition Board.

MEDICINE

The new discount concept

A Star survey

This Star advertising feature on the price of prescribed medicines and possible discounts has been compiled and edited by Berenice Margolis. Photographs by Chris Adlam.

Star 30/3/93

The opening shots of the discount war

(96)

THE DIRECTORS of Pharmarama, Gerard Slabbert and Malcolm Abrahams, recall that in October 1988 the first advertisement offering prescription drugs at discounted prices appeared in leading Transvaal newspapers.

The message, they say, was "heavily disguised" to avoid transgression of the strict policy of the Pharmacy Council regarding advertising of drug prices by a retail pharmacy.

"Pharmarama wants to address the high price of medicine," the headline proclaimed.

Nowhere in the copy was any mention made of the fact that for the very first time a discount of 25 percent on the accepted medical aid price was being offered on all medicines.

Slabbert and Abrahams hardly expected the furore that the advertisement — and the many news stories that followed on that first announcement — would cause.

Complaints about the policy of the fledgling business to discount on a cash and carry basis in The Star, Huisgenoot, Business Day and even SABC TV, poured into the offices of the Pharmacy Board in Pretoria.

Within a year of the first advertisement, Gerard Slabbert, as managing director of Pharmarama, Gezina, appeared before a disciplinary committee of the Pharmacy Board.

An unrepentant Slabbert defended the right of the public to have access to drug prices in order for true consumerism in the health sector to prevail.

After legal costs amounting to more than R100 000, Slabbert was found guilty of scandalous and unprofessional behaviour because he had allowed advertising and publicity of Pharmarama's discounting policy.

Sentence was suspended for two years.

Although the wheels of change turn slowly, the first move had been made and very soon the movement towards the freeing of market forces gained momentum.

One by one competitors joined the bandwagon and advertised discounts on drug prices.

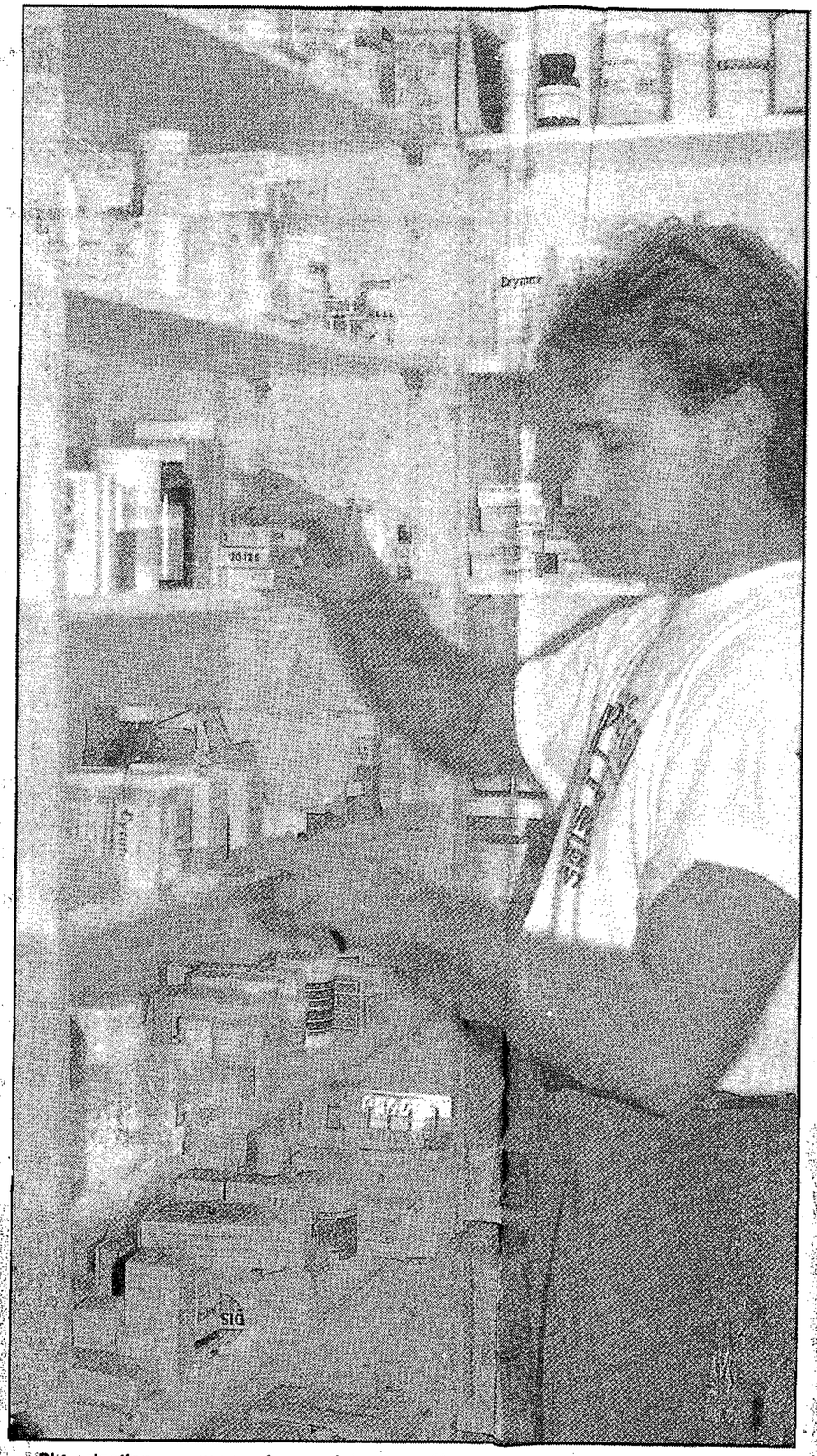
None had to pay the price Pharmarama had done. Very slowly it became clear, say the Pharmarama directors, to the members of the profession, that principles Slabbert had defended so energetically before the disciplinary committee could no longer be ignored.

Mediscor and later Medicredit enabled many more pharmacies to follow a discount policy.

Since the first Pharmarama opened its doors in Gezina, Pretoria, two others (one in Rosebank, the other in Potchefstroom) have borne proof of the need for a discount pharmacy and lower drug prices.

This year the group is budgeting to give discounts to the value of more than R12 million to the public.

All pharmacies are now entitled to advertise the percentage discount they give on prescription drugs.



Big selection . . . many pharmacists now offer special discounts to the public on a variety of medicines.

Counselling and delivery taken for granted

Pharmacists offer 'hidden' benefits ...

Star 30/3/93

(96)

DAVID PLEANER, executive director of the SA Association of Retail Pharmacists (SAARP), has no problem towards deregulating the professions with regard to advertising.

Advertising ensures competition and competition could ensure lower prices, he says.

He gives this canny advice: Don't look at discounts. Look at the end price when purchasing prescribed medicines.

On the issue of pharmacy discounts he emphasises the difference between advertising an ordinary commodity as against medicine.

When you're buying tea, for example, you're buying a product to sustain a perceived need. The same applies to luxury items.

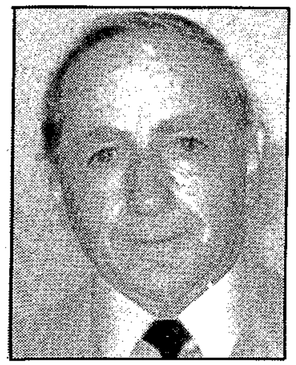
"But medicine is not in any of these categories because it is used to cure or control an illness."

He stresses that the choice of a particular product for a particular condition is of the utmost importance. And here the price in itself is irrelevant. What is crucial, however, is the cost-effectiveness of that medicine.

"Medicine is not an ordinary commodity and should not be used or perceived as such. Cost-effectiveness includes professional advice, something not available at the supermarket. Pharmacists are trained specialists in medicine.

"They are also the only professionals who see you when you are well and when you are sick, providing access to greater needs, resulting in better service. Preventive medicine is in the purvey of the pharmacist."

Pharmacists, says Pleaner, also provide screening services, first aid, confidential counselling and free delivery services. These are taken for granted in South Africa and not properly evaluated.



Bottom line . . . stop discriminatory discounts, says David Pleaner.

Pleaner also believes there must be an interface between the prescriber and the supplier of medication and that is why he is opposed to doctors trading in medicine, a practice which tends to eliminate the necessary checks and balances.

"The checks and balances should be not be left with the same person who diagnoses, sells the product and in the end writes the death certificate.

"We are suggesting to Government that the patient, the one who foots the bill, should be entitled to a say in the purchase of his or her prescription in terms of a cheaper generic product when available."

In contracting to medical aid schemes, most pharmacies give substantial discounts which do not benefit the member directly.

Mr Pleaner says illness demands a good standard of medicine, and a medical supply that is cost-effective. He views dispensing doctors as traders who are competing with pharmacists on a purely commercial basis.

The price of the product is obviously important, but a discount does not necessarily mean a cheaper price as there is no fixed price for medicine.

A South African anomaly is that the price of medicine is higher in the private sector than in the public sector. Manufacturers supply State tenders at a fraction of the price to the private sector. There is also a lower level of prices for private hospitals and trading doctors.

Pleaner concedes it is somewhat of a "catch 22" situation. The price of medicine supplied to the State should be rationalised but Government has not got the finance to do so.

But he slates the present situation as discriminatory pricing and is fully in accord with the 1992 report of the Competition Board which restates its conviction that discriminatory pricing should be outlawed because it is a restrictive practice inimical to the public interest.

Says Pleaner: "Discriminatory practices which favour trading doctors and private hospitals with special prices including gifts and samples and even free overseas trips, results in enormous profit-taking by dispensing doctors with little benefit to the patient; the remainder of the private sector having to subsidise such handouts to the detriment of the private sector."

NAPW members enjoy 17,5 percent discount in competitive market

Star 30/3/93

Wholesaler has key drug role

THE pharmaceutical manufacturing industry is highly competitive and no one manufacturer has more than 10 percent of the market, according to Lex Tannenbaum, president of the National Association of Pharmaceutical Wholesalers (NAPW).

Competition is on perceived quality and price, he says.

A cogent example is that of Zantac and Losec, two medicines with differing chemical compositions that act on the gastro-intestinal tract, perceived as expensive.

Many of the active ingredients are imported and the price of medicine rises with deteriorating exchange rates.

Tannenbaum cites the key role of cost-effectiveness.

He points out that the development of medicine leads to fewer illnesses, thus resulting in less time lost to reduced productivity.

He notes that sophisticated medicines like Zantac and Losec are often alternatives to expensive and disabling invasive surgery.

"This is cost-effective as we all gain from the benefits of the advances in medicine," he says.

Tannenbaum also compares medicine with other essentials.

"The price of essentials is high and medicine is one of them. But there is an emotive content to medicine as no one wants to get sick."

The wholesaler has an indispensable role to play in the safe and efficient distribution of medicine countrywide.

NAPW members enjoy a discount of 17,5 percent from most manufacturers on which their professional are allowed 2 percent after tax.

Discounts allowed by NAPW members to their customers can thus not exceed or even equal 17,5 percent.

According to the NAPW, conclusive evidence exists in the marketplace that some non-member competitors are offering discounts substantially higher than 17,5 percent to retail outlets and other customers.

Grey market

Evidence also exists that manufacturers supply some retail pharmacies and dispensing doctors at more favourable prices than those available to NAPW members.

Some competitors gain a price advantage by obtaining products via pharmacies and dispensing doctors favoured by suppliers.

The product ranges and magnitude of volumes offered by competitors to customers of NAPW members at more competitive prices excludes the possibility that only stock procured on the grey market is involved.

Wholesalers who procure normal medicines through normal channels distribute around 75 percent of all private sector drugs.

NAPW believes that this 75 percent of wholesale trade thus subsidises and sustains discounts of more than 17,5 percent allowed by manufacturers to selected customers.

The NAPW has concluded that manufacturers choose to practise price discrimination against its members in the belief that one or more of the following assumptions may be true:

- Products will reach customers which suppliers assume are not serviced by NAPW members.
- Overall sales volumes will be increased.
- Selling prices to end consumers may be lowered.

NAPW, however, asserts that none of these assumptions is valid:

- NAPW members service all customers legally entitled to purchase medicines in terms of Act 101, 1965.
- Volume supplied at highly discounted prices to selected customers in a specific geographic area merely serves to cannibalise potential volume supplied at normal discounts to the majority of customers.
- Prices to consumers over and above the normal market-related discounts are not reduced.

End suppliers who procure direct from suppliers at more favourable prices do not extend the benefit to consumers.



Price of illness . . . "the price of essentials is high, and medicine is one of them. But there is an emotive content to medicine as no one wants to get sick," says NAPW president Lex Tannenbaum.

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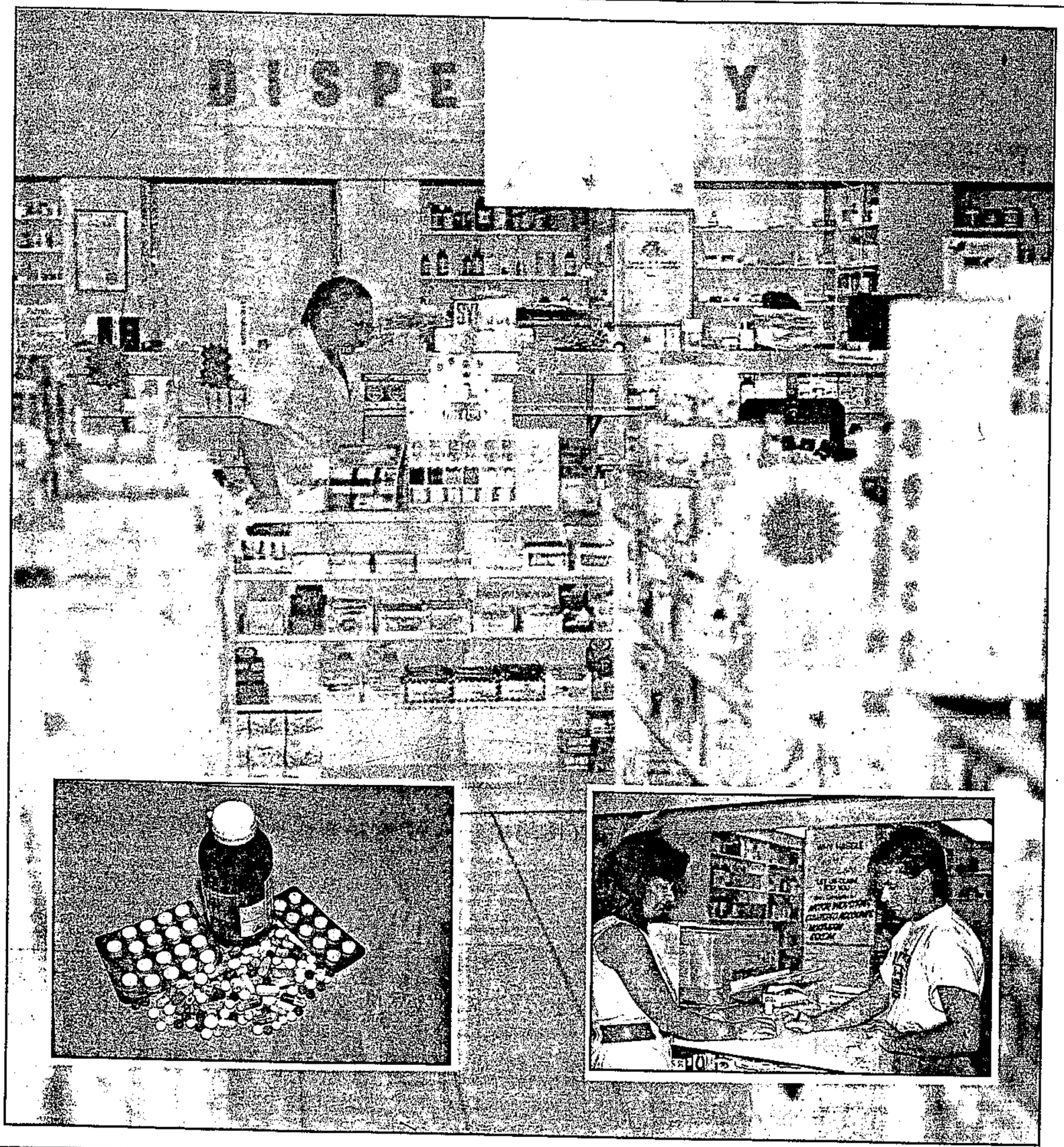

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Necessities to be a good pharmacist . . .

Hard work and lots of responsibility

Star 30/3/93

(96)

IN A recent report of the World Health Organisation (WHO), the role of the pharmacist in the health care system was highlighted.

The report stated that effective medicine could be practised only where there was efficient drug management — an axiom that applied with equal validity to both developed and developing countries.

Yet time and again, the report states, in less affluent settings, inadequacies in the provision of primary health care are attributable to shortcomings within the drug distribution chain.

Only when the pharmacist has been accepted as a vital member of the health care team can the necessary supporting services be organised with the professionalism they demand.

In highly industrialised countries, acceptance of the need for professionalism in the supply and dispensing of drugs and health appliances has long since been indispensable because of the complexity of modern health care technology.

Recently, however, there has been debate over whether the role of the pharmacist could serve the interests of individual patients and the public at large at the same time.

The day-to-day activities of the pharmacist in these two starkly different settings may appear, superficially, to be very different. But, everywhere, the call for pharmaceutical expertise is founded upon the same precepts.

Pharamcists are uniquely qualified because:

- They understand the principles of quality assurance as they are applied to medicine.
- They appreciate the intricacies of the distribution chain and the principles of efficient stock-keeping and stock turnover.
- They are familiar with the pricing structures applied to medicinal products.
- They are the custodians of much technical information on the products available on their domestic market.
- They are able to provide informed advice to patients with minor illnesses and often to those with more chronic conditions who are on established maintenance therapy.
- They provide an interface between the duties of prescribing and selling medicines and, in so doing, dispose of any perceived or potential conflict of interest between these two functions.

The contribution of pharmacists to health care is based, in most countries, upon a body of knowledge and expertise acquired from a university degree (or equivalent) education, followed by a formally designated period of supervised pre-registration practical experience.

Basic professional education is reinforced by a professional obligation to observe both statutory and professional measures related to the control of safety and quality of drugs and procedures.

From their basic education and pre-registration training, students acquire a broad understanding of the scientific principles and techniques of the pharmaceutical sciences and are taught to keep pace, thoughout their careers, with developments in medicine and pharmacy.

Their knowledge and expertise extends to all aspects of the preparation, distribution, action and uses of drugs and medicines. They should also have acquired sufficient scientific discipline of mind to enable them to be efficient self-learners and to benefit from continuing education.

Pharmacists set to provide broader health care service

KATHRYN STRACHAN

PHARMACY was on the threshold of great opportunities, with planned new legislation enabling the industry to convert its focused role to a far broader health care service, SA Pharmacy Council chairman Johan van der Walt said yesterday.

Addressing the national conference of the Pharmaceutical Society of SA, Van der Walt said changes envisaged in the amended Pharmacy Act provided pharmacists with greater discretionary powers in dispensing prescription medicines.

Amendments to the Act would also stimulate better geographical distribution of pharmacies, he said. High profit margins gained from serving an affluent section of the population would be replaced with the provision of affordable medicine to the entire population.

The planned amendments brought pharmacists out of their legislated isolation, enabling them to work as part of a health team with other professions, he said.

Van der Walt challenged the National Health Department to utilise the infrastructure of pharmacy, and to accept the council's recommendations, which would reduce the price of medicines.

A system of generic substitution should be introduced where the pharmacist could provide cheaper, but equally effective medication. It had been proved that medicine costs could be reduced by up to 75%.

SA would have a shortfall of between 2 300 and 4 400 pharmacists by the year 2010 at current rates of growth, Prof Rob Summers of the School of Pharmacy at the Medical University of SA told the national conference.

Sapa reports he said there was a gross geographical maldistribution of public sector hospital pharmacists, ranked by the ratio of beds per pharmacist.

Taken with the data for age group and race distribution, figures showed a policy of deliberate neglect and mismanagement was applied to areas populated largely by black people.

While the number of community pharmacies per 10 000 people had remained fairly constant since 1946 at 0,8, the number of pharmacists employed per community pharmacy had climbed from 1,8 to 2,2 between 1982 and 1991.

"Pharmacy student numbers peaked in 1986 (at 1 559). By 1992, the number had fallen to 1 039, a 33,3% drop," he said.

"The number of pharmacist interns has declined continuously since 1986, so that the number in 1992 was only 58,1% of that in 1986 — a drop of more than 40%."

Warning on low-cost medical schemes

KATHRYN STRACHAN

MEDICAL aid administrators have warned consumers to be wary of low-cost medical benefit schemes flooding the market.

Medicaid Administrators CE Jeff Sloame said packages offered by some new budget schemes could be misleading and, in the interests of preventing another "Masterbond-type débâcle", consumers should tread warily.

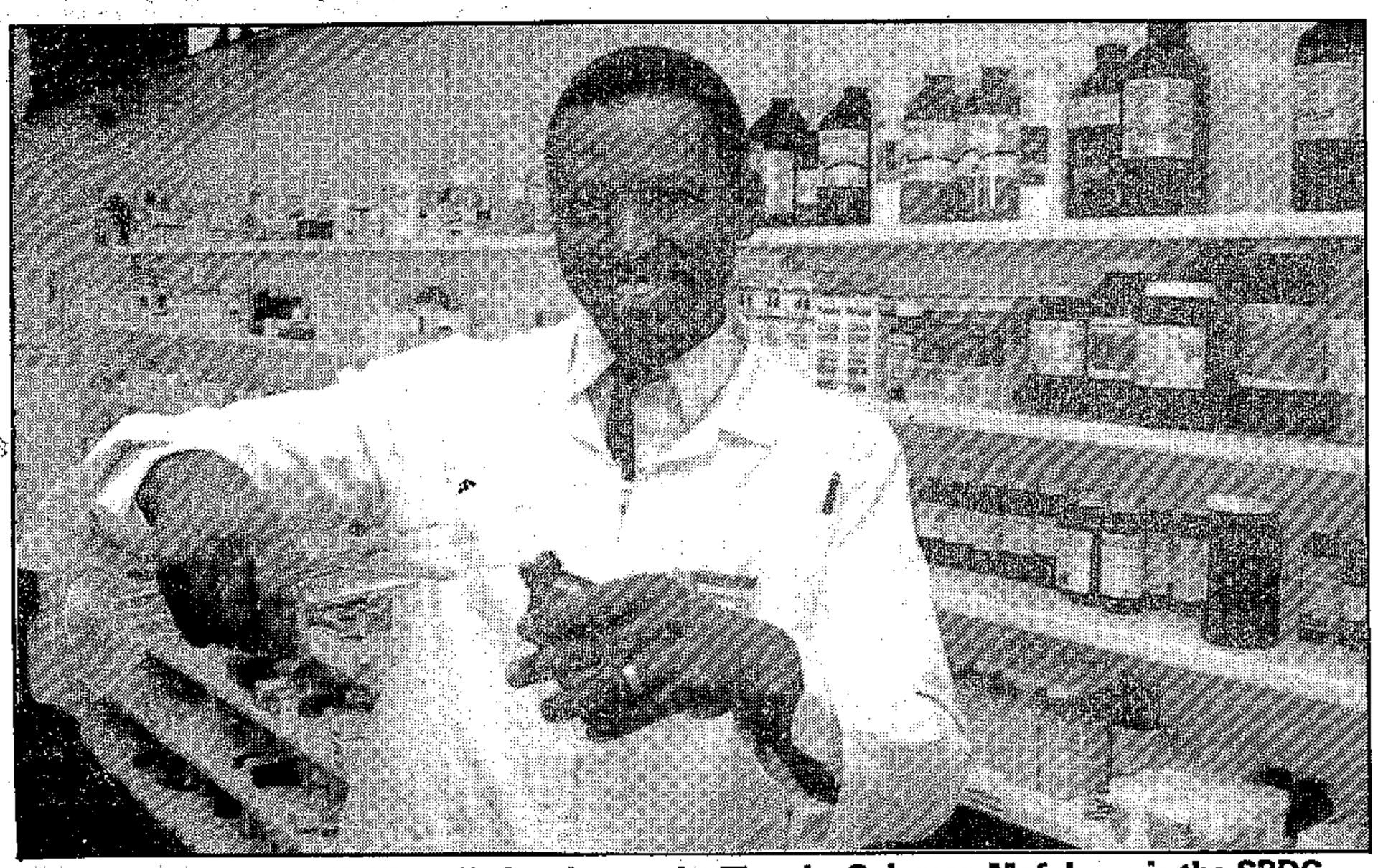
Low-cost schemes put together by financial services brokers often did not fall under the protection of either the Pension Funds Act, the Assurance Act or the Medical Schemes Act, he said.

"As such they are not required to put up guarantees or meet the requirements of legislation enacted to protect the rights of consumers," he said.

Under the Medical Schemes Act, new schemes were required to have 2 500 members, a cash deposit of R1m and guarantees amounting to a further R1m had to be in place, Sloame said.

However, he said, other schemes were offered in the guise of medical benefit funds. "These funds effectively act as bankers, accepting contributions and paying claims on presentation of accounts."

Sloame said that as the funds did not comply with stipulations aimed at protecting consumers, the benefits of cross-subsidisation were lost.



MAN OF THE MONTH: Khayelitsha pharmacist Themba Solomon Mofokeng is the SBDC Entrepreneur of the Month

Pharmacist has right mix

SOUTH 17/4 - 21/4/93. (96)

A YOUNG Khayelitsha pharmacist has won the Small Business Development Corporation Entrepreneur of the Month award.

Thirty-two-year-old Mr Themba Solomon Mofokeng, who decided to open his own practice only two years after official registration as a pharmacist, now has a successful practice in Khayelitsha.

He is one of just over 120 registered African pharmacists in the country — very few of whom have ventured into a business of their own.

Mofokeng established his business in November 1990 in the Eyethu Shopping Centre in Khayelitsha, with two assistants and a R65 000 loan which he obtained from the SBDC.

He completed his Bachelor of Pharmacy degree in 1986 and registered as a pharmacist with the SA Council of Pharmacy in 1988. After this he worked in hospitals and pharmaceutical practices.

Although there is no competition from other pharmacies in the area, the business has to compete with discounted prices offered on non-prescribed medicines in retail outlets as well as direct dispensing by township doctors.

He also has to deal with the suspicions of residents who prefer traditional medicine.

In spite of this, Eyethu Pharmacy has more than quadrupled its monthly turnover since the first month.

Mofokeng believes his fundamental responsibility is to provide accurate information on prescribed and over-the-counter medicines, because escalating health-care costs are forcing many people to treat themselves for minor ailments for which they previously would have consulted a doctor.

By providing a reliable, personalised service of a high standard, the business is gaining credibility and market share in the community.

"In some cases I give medicine to people to try out, without charging them, telling them to come back to me when they have seen for themselves that it will make them better," he says.

Mofokeng enlisted the services of a qualified accountant to deal with business matters. But to improve his financial management skills he has completed the SBDC's "How to start your own small business" course.

Eyethu Pharmacy will be a nominee for the national Sanlam/SBDC Entrepreneur of the Year award to be held later this year.

Premier and MCC form new medical supply group

Star 20/4/93

By Sven Lünsche

A new medical supply company has been formed through the merger of the Premier Group's wholesale pharmaceutical business with Medical Cash and Carry Holdings (MCC).

In a statement today the Premier Group said the new group, United Pharmaceutical Distributors (UPD), would have annual turnover of R1,5 billion and assets of R500 million.

The merger was given the go-ahead when the Competition Board announced yesterday it would not investigate the merger.

MCC will acquire management control of the new company and will have a 52 percent shareholding in UPD. The remaining 48 percent will be held by Premier, through its subsidiary Gresham Industries.

The effective date of the transaction still has to be decided.

In terms of the deal, Gresham's wholesale pharmaceutical business (PDC, ACA and Salters) and First Choice Druggists, which are currently controlled by Premier Pharmaceuticals (previously Twins Pharmaceuticals), will be sold to UPD in exchange for loans in favour of Gresham and Premier.

In his statement Competition Board chairman Pierre Brooks said the board had taken cognisance of the fact that the merged entity would have a substantial share of the market.

"However, relatively low barriers to entry, and the fact that the demand for prescription medicine is created by the prescriptions issued by medical practitioners and not through the promotional practices of pharmaceutical wholesalers, means that even a substantial market share does not confer market power on a pharmaceutical wholesaler, enabling it to manipulate prices and the market to its advantage."

Brooks said this was amply illustrated by the growth in the number of pharmaceutical wholesalers in the 1980s and in particular by the market share attained by MCC over a comparatively short period.

PRIMARY HEALTH CARE The ultimate aim is "Health for all by the year 2000"

This supplement was compiled by Medical Reporter Musa Zondi

Health for all by year 2000

THE Pharmacy Professional Awareness Campaign, representing over 1 500 pharmacies, has reaffirmed its commitment to the provision of primary health care.

Ultimately, it hopes to realise the United Nation's directive of "health for all by the year 2000".

In South Africa primary health care has been defined by the Department of National Health as essential health care which is accessible to the community, effective in terms of proper allocation of health services, affordable, equitable in provision and acceptable in social and scientific realms.

According to Mr Neville Lyne, chairman of PPAC, "community pharmacists play an important role in meeting this directive as they offer expert health advice that is both accessible and affordable".

Located in the community, the pharmacist is easily accessible and ideally situated to meet the immediate needs of patients. And since pharmacy training is extensive, he has the knowledge and experience to offer counselling, treatment advice and referrals to doctors if necessary.

The pharmacist also plays an important role in the prudent usage of the health care system as a whole.

According to the World health Organisation, primary health care should include:

- Education concerning prevailing health problems;
- Mother and child health services;
- Family Planning services;
- Immunisation against major infectious diseases;
- Prevention and control of local endemic diseases,
- Appropriate treatment of common diseases and injuries; and
- The provision of essential medicines.

Already, many pharmacists offer the basic provisions of primary health care.

Diagnostic testing and monitoring have become routine in most pharmacies, and many pharmacists have completed family planning courses so that in combination with pregnancy testing, counselling can be offered as well.

Outreach programmes and house calls have made primary health care accessible to those with conditions which have prevented them from travelling to pharmacies or clinics.

■ PPAC reaffirms its commitment to providing primary health care:

"With 3 300 babies born every day in this country, family planning has become an urgent issue to the nation's future wellbeing"

Most important, however, is the pharmacist's medicine dispensing function. In that capacity, he is able to both fulfil scripts written by doctors and to prescribe certain medicines himself to treat customer ailments.

And in so doing, the pharmacist performs a vital regulatory role. This is because certain medicines can have adverse affects when taken concurrently with other medicines or with substances such as alcohol. Thus, by keeping a patient's history on medicines and providing advice on their administration, pharmacists act as "quality controllers" by making certain that patients are on a safe medicinal path.

"Also remember, that by taking a continuous course of medication and following the advice of the pharmacist, it is possible to keep health care costs down as this may offset the need to undergo surgery," stresses Lyne.

The WHO has endorsed family planning as a major area of primary health care. In South Africa, pharmacists can prescribe and dispense oral contraceptives. These services are extremely cost-effective and since pharmacists rarely require appointments, the services are also accessible.

With 3 300 babies born every day in this country, family planning has become an urgent issue to the nation's future wellbeing.

Pharmacists have a significant contribution to make to the "health for all" goals as described by the World Health Organisation.

DIAGONAL STREET



By Julie Walker

New vistas open for SA Druggists

ONE of the intriguing things about SA Druggists' R201-million rights issue is what the company intends to do with the cash left over after payment of R158-million debt.

Financial director Tommy Edmond says there is nothing better than being debt free, but the extra cash is not being raised for no purpose.

Recent proposals for SA's troubled pharmaceuticals industry could herald the departure of smaller multinational companies. A major stumbling block for them is the advent of single-exit pricing whereby a manufacturer will be obliged to offer the same terms to all buyers with the exception of the State.

The objective is to put drug wholesalers on an equal footing with the 4 000 or more dispensing doctors. Although the wholesalers buy big, they pay far more than doctors do because medical practitioners have a surefire way of getting people to swallow the medicine.

Many foreign companies manufacturing in SA buy the active ingredients for their products from their principals. The well-known phenomenon of transfer-pricing takes precedence over local profitability.

A single-exit price suits SA Druggists down to the ground. Mr Edmond believes opportunities will arise should foreign businesses shut up shop.

First prize would be the acquisition of ethical products (those still under patent) and the rights to production of current and future drugs.

"SA Druggists is short of ethical products although it stands to benefit from the expected growth in generic medicines," says Mr Edmond. (In fact, he was hard pressed to give me a name the public might recognise: we settled on Triphasil).

Generics are look-alikes of patent medicines, yet cost about half. In SA, they make up less than 20% of prescribed drugs whereas in England the figure is half.

Mr Edmond says: "SA Druggists has begun to advertise its generics in a way that will make people more cost conscious. If their doctor prescribes a well-known patent painkiller, the patient is encouraged to ask if there is a generic substitute that costs less.

"It will help patients to keep within the limits of medical-aid funds."

SA Druggists operates Lennon, the largest generic manufacturer in the country. It also has a fine chemicals plant, makes infant foods and has a trading arm.

The group has concluded some dollar-denominated contracts in Malawi and is building a factory there to make primary health-care products for the preferential trade area.

Mr Edmond says the group exports to America and Europe and Africa, allowances for which lowered group tax to 35%.

SA Druggists has turned around since being switched out of Fedvolks into Malbak, which installed Peter Beningfield to introduce some discipline. Mr Edmond was at Standard Engineering, also in the Malbak fold.

The turnaround has been fast and furious. Earnings for the six months to February trebled to R24-million on turnover of R925-million. The interest bill was R11-million — a quarter of operating income.

Members are offered 18 shares for 100 at R22 — a R2 discount to the current price, which has doubled in a year.

Mr Beningfield forecasts earnings of 110c to 120c a share for year, putting SA Druggists on a forward price-earnings ratio of 21. Paper at that rating is much easier to fund acquisitions with than was the case for the company in recent years.

The market has a positive attitude to the group under its new management.

■ *I'm glad I arrived early to see Mr Edmond. It gave me a chance to look around the reception area, which is made to resemble an apothecary shop of SA Druggists products over the years.*

BUSINESS TO BUSINESS

Please turn to page 4

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consumers to pay their debts on time, causing Wankie to borrow from an extremely tight money market.

Presmed earnings up 19%

Blom 4/5/93

PRESIDENT Medical Investments (Presmed) last week reported a 19% increase in earnings to 23c a share for the year to end February 1993, from 19,3c in 1992.

98

The dividend was 25% higher at 5,25c a share (4,19c). The company said the dividend was comparable to 1992, as it took into account a 1:1,6 share split in August 1992.

Presmed MD Carl Grillenberger said the rise in after-tax profit showed the success of a drive towards cost-effectiveness. Turnover increased 19% to R95,8m from R80,4m.

Operating income rose 17% to R13,76m (R11,8m), but a R1m jump in the interest bill to R2,39m retarded growth in net income, which increased 9% to R11,37m (R10,46m).

Pharmacy changes disputed

(96) & 4/5/93

JOHANNESBURG. — The Pharmaceutical Society has expressed its outrage at proposed legislation to allow "non-pharmacists" to operate and own pharmacies, saying it would be impossible for the statutory body to prevent transgressions and punish them.

In a statement from the society, president Mr Gary Kohn said: "Permitting non-pharmacist ownership could not be justified in most circumstances as this threatened loss of professional control and standards."

Healthcare

He added that if total deregulation of ownership was to go ahead, "allowing food chains to open pharmacy areas inside supermarkets and medical schemes to open their own limited service dispensaries", many already struggling pharmacies would go to the wall.

Mr Kohn said this would deprive "long-serviced communities of healthcare services accessible to all" and would not lower the costs of medicine.

The society supported the concept of amendments as set out in the Amended Pharmacy Bill, provided that unconditional opening of ownership of pharmacies was not allowed.

He said exceptions might be necessary "in cases where a community does not have reasonable access to a pharmacy". — Sapa

Pharmacists reject proposed legislation

96

BDay 4/5/93

KATHRYN STRACHAN

THE Pharmaceutical Society has expressed outrage at proposed legislation to allow "non-pharmacists" to own and operate pharmacies, claiming it would be impossible to regulate the industry.

Society president Gary Kohn said if total deregulation were to go ahead — allowing food chains to open "pharmacy areas" in supermarkets, and medical schemes to open their own limited service dispensaries — many community pharmacies would be forced to close.

Changes to the Pharmacy Amendment Act, to be tabled before Parliament this session, and the amended Medical Schemes Act, could see the end of many pharmacies.

Kohn warned the "sinister moves to wrest ownership of pharmacies away" would not bring about cheaper medicine. Rather, better exploitation of present structures would enable pharmacists to render a truly cost-effective healthcare service to the entire population.

Permitting "non-pharmacist" ownership threatened loss of professional control and standards. Owners who were not pharmacists were not accountable to the statutory SA Pharmacy Council so their transgressions would be impossible to prevent and punish, he said.

Even in very limited and strictly controlled circumstances, the concept of permitting pharmacy ownership by non-pharmacy enterprises opened a "Pandora's Box of demons".

It was vital to protect the network of almost 3 000 pharmacies, which, in addition to dispensing medicines, provided about R900m free primary health care services to about 90% of the population.

Kohn added the cost of medicine was directly related to manufacturers' exit price, and blamed the state tender system which obliged manufacturers to supply medicine at exit prices even below break-even point to the state.

"As a direct result, unusually high profits had to be recovered from the private sector," he said.

He said doctors were also supplied with medicines at far lower exit prices than those given even to pharmaceutical wholesalers.

Efforts by pharmacists to lower the cost of medicine to consumers included negotiating deals with medical aid funds for savings of between 17% and 25%.

Star 4/5/93

Deregulation plans anger pharmacists

The Pharmaceutical Society has expressed its outrage at proposed legislation to allow "non-pharmacists" to operate and own pharmacies, saying it would be impossible for the statutory body to prevent transgressions and punish them.

In a statement the society said that if total deregulation of ownership were to go ahead, "allowing food chains to open pharmacy areas inside supermarkets and medical schemes to open their own limited service dispensaries", many already struggling pharmacies would go to the wall. This would deprive "long-serviced communities of healthcare services accessible to all". — Sapa.

Provincial Administration of the Orange Free State

Hospitals	Admissions (a) Black	(b) White	(c) Coloured	(d) Indian
Universitas	535	21 375	180	74
National	0	10 432	114	0
Pelonomi	39 289	0	4 199	0
Boitumelo	13 459	0	355	0
Phekolong	11 038	0	202	0
Welkom	13 385	15 198	681	0
Bothaville	2 840	799	0	0
Botshabelo	6 633	0	0	0
Clocolan	2 180	624	0	0
Ficksburg	824	2 910	27	34
Frankfort	2 559	622	3	0
Harrismith	2 592	1 164	25	15
Heilbron	3 500	866	268	0
Hoopstad	2 414	497	0	0
Jagersfontein	1 376	0	4	0
Ladybrand	2 798	556	98	9
Odendaalsrus	6 502	3 112	0	0
Parys	3 896	1 825	0	0
Reitz	3 855	734	0	0
Senekal	2 553	688	0	0
Smithfield	780	181	27	0
Virginia	4 183	4 663	28	2
Vrede	1447	358	1	0
Winburg	2 246	743	5	0
Zastron	2 025	0	26	0

Other Provincial Administrations

Statistics according to race are no longer maintained at Natal and Cape provincial hospitals.

Importation of parallel medicines

280. Mr M J ELLIS asked the Minister for National Health and Welfare:

(1) Whether she has received any recommendations from the Medicines Control Council in regard to the amendment of certain regulations in terms of the Medicines and Related Substances Control Act, 1965 (Act No 101 of 1965), with a view to permitting the importation of parallel medicines; if so,

(2) whether any persons and/or organizations in the (a) public and (b) private sector were consulted in this regard; if not, why not; if so, (i) which persons and/or organizations in each case and (ii) which of the persons and/or organizations so consulted in the private sector (aa) opposed and (bb) supported the principle of the importation of parallel medicines;

(3) whether she intends publishing the draft regulations in the *Government Gazette*; if so, when? B611E

The MINISTER FOR NATIONAL HEALTH AND WELFARE:

(1) Yes, the only recommendation regarding regulation amendments received from the Medicines Control Council is the proposed expansion of Regulation 15 to make provision for applications to be submitted in a different format from that currently prescribed. The motivation for this amendment was one of harmonization to allow applicants to submit applications for registration in the same format as that required by the European Community.

(2) (a) and (b) no, because the regulations will be published for comment;

(3) yes, the amendment to Regulation 15 will be published for comment.

Eastern Cape areas: qualified teachers

283. Mr E W TRENT asked the Minister of Education and Training:

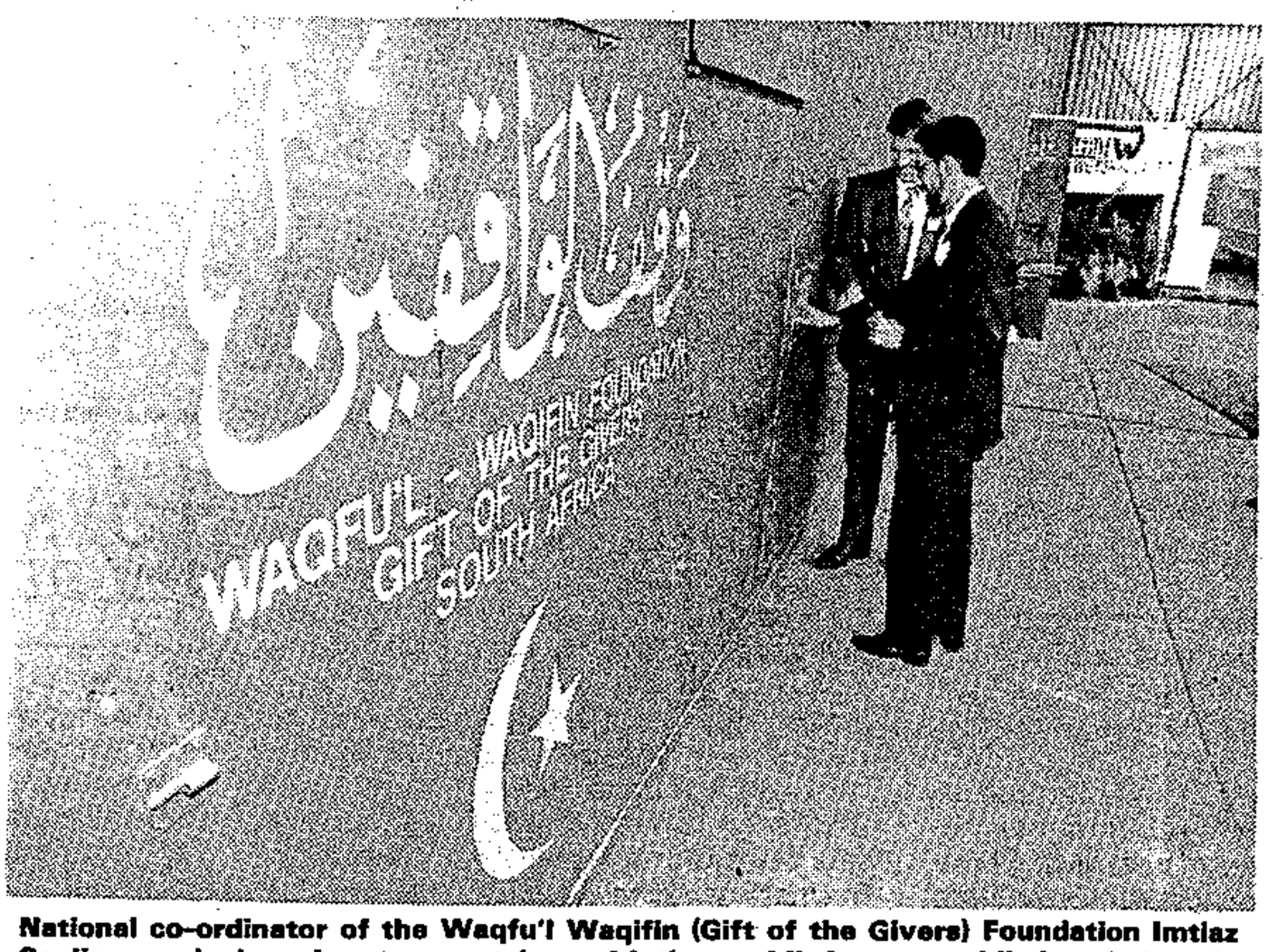
How many suitably qualified teachers of (a) Accountancy, (b) Physical Science, (c) Biology and (d) Mathematics were there at each school falling under the control of his Department in the (i) Port Elizabeth, (ii) Ibhayi, (iii) Uitenhage and (iv) Kwanobuhle areas as at 31 December 1992 or the latest specified date for which information is available? B686E

The MINISTER OF EDUCATION AND TRAINING:

(i) PORT ELIZABETH

	(a)	(b)	(c)	(d)
Cowan Secondary School	2	1	3	4
Enerst Skosana Primary School	2	—	—	3
Itembelihle Comprehensive School	3	2	4	5
Masangwana Primary School	—	—	—	2
Newel Secondary School	2	1	5	5
Molefe Primary School	2	—	—	2
Thubelihle Secondary School	1	1	5	2
New Brighton Primary School	—	—	—	2
Tyhilulwazi Secondary School	2	1	3	3
Philip Nikiwe Primary School	—	—	—	—
Gqebera Secondary School	1	1	3	3
Stephen Mazungu Primary School	—	—	—	1
Khwezi Lomso Comprehensive School	3	1	3	7
Ilungelo Primary School	—	—	—	1
KwaZakhele Secondary School	3	2	4	5
Loyiso Secondary School	2	1	3	5
Masibambane Secondary School	3	2	3	4
Mzontsundu Secondary School	2	3	4	5
Ndzondelelo Secondary School	1	2	5	5
Phakamisa Secondary School	2	2	3	5
Qaphelani Secondary School	1	1	2	2
Sakisizwe Secondary School	4	2	2	5
Tamsanqa Secondary School	3	1	5	4
Sophakama Secondary School	3	3	2	4
Douglas Mbopa Secondary School	4	3	6	6
Engileni Primary School	—	—	—	1
James Jolobe Secondary School	1	1	—	3
Nxanelimfundo Primary School	—	—	—	1
KwaMagxaki Secondary School	—	2	4	4
Sivuyiseni Primary School	—	—	—	1
Lungisa Secondary School	1	2	3	4
Siyaphambili Primary School	—	—	—	1
Masiphathisane Secondary School	1	1	7	8

Cont'd



National co-ordinator of the Waqfu'l Waqifin (Gift of the Givers) Foundation Imtiaz Sooliman unlocks a door to a container with the world's largest mobile hospital ready for shipment to Bosnia. With him is Van de Wetering Engineering MD Johan van de Wetering, whose Rosslyn firm built the hospital. Picture: ROBERT BOTHA

SA Muslims donate mobile hospital

KATHRYN STRACHAN

AN SA-built mobile hospital, the biggest in the world, is on its way to war-ravaged Bosnia-Herzegovina.

Pretoria's Van de Wetering Engineering yesterday handed over the fully fitted 126-bed hospital to the Muslim community of SA for shipment to Bosnia.

Although the R4m hospital was financed entirely by the Muslim community, it would attend to all war victims irrespective of ethnic origin or religious belief, said Waqfu'l Waqifin (Gift of the Givers) Foundation co-ordinator Imtiaz Sooliman.

The hospital — one of the most comprehensive ever built — consists of 20 separate isothermic containers and includes a complete theatre unit, an intensive care unit, wards and an ambulance.

It comprises two field tents with capacity for 50 beds.

The containerised medical unit technology provides high-quality medical care facilities that are easy to transport, can be quickly erected on almost any terrain and easily adapt to requirements.

Company MD Gerrit van de Wetering said the project was a triumph for SA design and engineering capabilities.

Representatives of the SA Muslim community are to accompany the shipment in mid-June.

DRUG PRICES FM 7/5/93

A bitter pill to swallow

Last week, Finance Minister Derek Keys read the pharmaceutical industry the Riot Act. With drug prices soaring, Keys told the industry to get its act together or face government intervention that he admitted might not be "intelligent."

Keys, who called the closed-door meeting on Friday in Pretoria, says the industry has placed itself in a "provocative position" with price increases that exceed the consumer price index. And while Keys stresses that he doesn't have any specific action in mind right now, he's thrown the industry into a panic. "The industry clearly feels threatened by the warning," says Jan de Kock of the National Association of Pharmaceutical Manufacturers.

"Everyone had a go at one another," says another delegate at the meeting. "The Pharmacy Council blamed medical schemes. Schemes retorted that the council needed to allow greater competition."

Of course, the threat of price controls is the biggest stick Keys can wield. Though they exist in some form or another in most parts of the world — SA and the US are two exceptions — Health Minister Rina Venter has repeatedly stressed that price controls are against government's market-orientated policy. The Cabinet also dismissed the controversial Wim de Villiers report because it proposed such controls.

In any case, industry experts warn that price controls in any form would produce only further distortions in the market. They would also probably chase away foreign drug manufacturers, already nervous over the political and economic uncertainty.

A better solution would be to increase competition and streamline the distribution chain by ending many of the apparently fixed profit margins and mark-ups. A number of far-reaching reforms — geared to cut costs — have already been implemented. For one, the Medical Schemes Amendment Act, passed this year, paves the way for medical schemes to employ pharmacists and run their own pharmacies.

Says Pharmacy Council registrar Chris Van Niekerk: "Four recent and separate studies have shown that medicine costs can be reduced by up to 75% by using, for example, limited medicine lists and generics, and curtailing the prescription habits of doctors — telling them what drugs should be used for certain ailments."

In another far-reaching move, the Medicines Control Council — despite vociferous opposition from drug manufacturers — recently amended its rules to allow imports of medicines already available locally. The decision, however, has yet to take effect.

There's more to come. Venter is scheduled



to table the Pharmaceutical Amendment Bill in parliament this session. The Bill's most controversial proposal would end the ban on non-pharmacists employing pharmacists and owning pharmacies. This move, which is the norm in the US, would allow retailers such as Clicks and Pick 'n Pay to run their own discount dispensaries, using their clout to bargain with drug manufacturers.

Says Pharmaceutical Society of SA president Gary Köhn: "Pharmacists are deeply concerned about what are seen as sinister moves to wrest ownership of pharmacies away from them. Permitting non-pharmacist ownership could not be justified in most circumstances because this threatened professional control of standards."

Venter stresses that medical professionals should be free to choose for whom they work. "I don't believe standards will be compromised since professionals are still obliged to adhere to the standards set by their respective councils."

The Pharmacy Council's Van Niekerk, who was largely responsible for drafting the legislation, concedes that competition could well put many smaller pharmacies out of business. "Pharmacists need to provide affordable services to the community. If they can't succeed, let non-pharmacists who can discount services apply to the Pharmacy Council to do so."

The council has in recent years also lifted all bars on advertising, allowed pharmacists to enter into contracts with medical schemes and scrapped the compulsory 50% mark-up that has traditionally translated into a 100% retail mark-up. In recent years pharmacists have, however, given discounts of up to 40%. But a *FM* survey, conducted last year, revealed that some of the most commonly used drugs cost an average of 130% more in SA than in the US.

One reform that hasn't, however, made it to the statute books is the proposal to allow pharmacists to substitute cheaper generic equivalents for prescribed medicines. While generics have safely been used in State hospitals for more than 30 years, manufacturers and doctors continue to argue their efficacy and safety. Van Niekerk says the patient, like any other consumer, should be given a choice. He stresses that generics, like all drugs in SA, have to meet stringent quality standards. Venter is said to be determined to enact this particular reform.

Certainly, the pharmaceutical distribution chain is a complex one. Most players argue that private-sector prices are severely distorted by the State tender system. They argue that roughly 70% of all medicine is sold on tender to the State for, at most, a third of the price paid by the private sector for the same product. Manufacturers, they say, make up the difference by boosting charges to the private sector.

Van Niekerk suggests this problem could be overcome. "The State needs to contract with the private sector to provide services rather than force them into the inefficient State tender system."

Mirryéna Deeb

MAIZE PRICES FM 7/5/93

Revolt of the poultry men

If both producers and consumers are upset about the latest yellow maize price hike of "only" 2%, then Agriculture Minister Kraai van Niekerk's compromise can't be all bad. Right? Sounds hard to fault this argument by Deputy Director-General of Agriculture Chris Blignaut — until you start analysing industry figures. Then it becomes clear that fixing maize prices is easy if you use mirrors.

National Maize Producers' Organisation CE Giel van Zyl says that with average production costs of R970/ha over more than 3,6m ha — with 1 ha producing about 2 t — maize farmers need higher prices to earn a decent profit.

But Van Niekerk refused farmers' requests to increase yellow maize prices to R516/t, settling for R505/t instead. Nevertheless, farmers will gross about R4,2bn this season from a projected 8Mt crop, compared with last year's R1,5bn from a 2,9Mt crop.

Poultry men and animal feed manufacturers, the biggest buyers of maize, are crying foul. They say the 2% figure used by Van Niekerk distorts the real picture. "The announcement says the new yellow maize price represents a 2% increase over last year's consumer price of R495/t," says the SA Poultry Association's Zac Coetzee. "But the landed price of 4Mt of imported yellow maize last year was R475/t and only a small amount of locally produced yellow maize was priced (and sold) at R495/t. cont

SEF 4577/ST



Curbs on pharmacy may be scrapped

Star 1dsl93

96

By Brendan Templeton

Supermarkets may be allowed to operate pharmacies to make drug-dispensing cheaper and more accessible in future, Department of National Health (DNH) director-general Dr Coen Slabber said today.

Speaking at the national conference of the Pharmaceutical Society of South Africa in Durban, Slabber said changes were needed because pharmacist services were dangerously scarce in poorer, rural areas.

Only 36 pharmacists were operating in the self-governing territories and the Northern Transvaal had just 0,5 pharmacists per 10 000 people compared with 3,7 per 10 000 in the central Transvaal.

Faced with this problem, a future health-care dispensation could allow supermarkets and medical aid schemes to run pharmacies and could also allow doctors and pharmacists to join their practices.

Standards

Integration of self-governing territories and some or all of the TBVC states was also envisaged.

No support could be found for the concern that ethical standards would be eroded if a supermarket employing a pharmacist was allowed to establish a pharmacy.

Slabber said his department would favour such moves if they measured well against criteria for a pharmaceutical service.

Likewise, the DNH would support changes that allowed medical aid schemes to operate dispensaries if they could supply medicines at a lower cost to the public.

Thirty percent of all benefits paid out by schemes were for medicines, he said.

The DNH also favoured the concept of health teams where doctors and pharmacists could operate in joint practices. Each profession would have to respect each other's knowledge and expertise, he added.

It's Wyn-

than R550 million, after declining for six consecutive months

Police held after raid

STEPHANE BOTHMA

TWENTY-two people, including five policemen and two traffic officers, have been arrested for their alleged involvement in an international car smuggling racket involving millions of rand.

Pretoria police had already confiscated 36 expensive vehicles and were investigating the smuggling of more cars across SA's borders, Col Johan Mostert confirmed yesterday.

He said it was likely that more property would be confiscated as investigations continued.

The names of those arrested, including well-known Mamelodi and Eersterus businessmen, would be released when they appeared in court later this week.

Mostert said three pistols had also been seized and police were investigating the link to several car hijackings.

It is believed the cars were exchanged for drugs, gold and diamonds which were sold and profits split among members of the syndicate, but Mostert could not confirm this.

It is further believed that several well-known sports personalities were involved in the syndicate.

Medicine prices are 'far too high'

KATHRYN STRACHAN

THE price of medicines in SA was inordinately high, but very little had been done to rectify the situation in recent years, ANC health spokesman Manoranjenni Chetty said yesterday.

Addressing the Pharmaceutical Society of SA's national conference in Durban, Chetty said pharmacists were currently entangled in a system which included discounts to third party funders, wholesalers, pharmaceutical houses and levies on prescriptions. All these factors contributed to artificial pricing structures and needed to be corrected.

SA's poor synthesising capability had resulted in the majority of medicines or raw materials having to be imported at great cost, she added.

The development of a strong local manufacturing industry, as well as the use of cost-effective high-quality generic medicines, would be encouraged to reduce the exhorbitant costs.

The high cost of medicines, coupled with the concentration of pharmacies in urban areas, meant pharmacists had failed to provide accessible and affordable health care, she said.

National Health director-general Dr Coen Slabber said that of the almost 9 000 pharmacists in SA, 82,5% were in private practice. There were only 36 pharmacists in the six self-governing territories.

The figures dispelled the myth of the dispensing doctor intruding on the role of pharmacists, Slabber said, adding it was the unwillingness of pharmacists to work in the public sector and in deprived areas that had precipitated their problems.

Our Durban correspondent reports that SA Association of Hospital and Institutional Pharmacists president Sue Putter said there were numerous reasons why pharmacists chose not to work in the public sector. Remuneration and lack of career prospects featured prominently.

Putter suggested greater management autonomy for hospital pharmacists as well as improved systems of stock control and computerisation of dispensaries.

Putter also told the conference that recommendations contained in the Du Toit report commissioned by National Health Minister Rina Venter in 1990 should be instituted and not sink into oblivion as other reports had.

The Du Toit report highlighted severe shortcomings in the provision of cost-effective pharmaceutical services in the public sector and recommended their restructuring.

Putter said that in one week alone, five wards at Baragwanath Hospital were unable to account for nearly R5 000 worth of injectable drugs because of outdated stock control systems. Extrapolated over a year the loss would amount to R250 000.

Putter attributed massive financial losses such as these to inadequate stock control — based on the old ward stock system.

She pointed out that only 20% of all hospitals in SA made use of computerised stock control in spite of the proven benefits of such a system.

Pharmacists set to respond to supermarket drug sales

(96) ARG 11/5/93

The Argus Correspondent

JOHANNESBURG. — The Pharmaceutical Society of South Africa (PSSA) is expected to respond today to the prospect of supermarkets operating pharmacies — a move widely welcomed by chain stores and consumer groups.

Pick 'n Pay managing director Mr Raymond Ackerman said yesterday's announcement by Department of National Health director Dr Coen Slabber at the national conference of the PSSA in Durban was the welcome culmination of a 26-year battle to cut the price of medicines.

Housewives League president Ms Jean Tatham said she was confident the move would succeed in lowering the price of drugs.

A PSSA spokesman said yesterday the association would respond at its national conference today.

Dr Slabber said changes were needed to make medicine cheaper because pharmacists were dangerously scarce in poorer, rural areas.

Only 36 pharmacists were operating in the self-governing territories, and the Northern Transvaal had one pharmacists to every 20 000 people, compared with 7,4 in the central Transvaal.

According to the proposed legislation, which will probably be tabled later this year, supermarkets may employ a pharmacist and operate their own pharmacies, or they can allow pharmacists to operate in their stores.

A Johannesburg pharmacist said he believed allowing supermarkets to dispense drugs was a symptomatic treatment of the problem. He asked why drugs were more expensive in South African than in the rest of the world.

Mr Ackerman said Pick 'n Pay would follow the option proposed in the pending legislation allowing a pharmacist to run a pharmacy in the store, a decision based on an investigation of different systems of supermarket pharmacies around the world.

A spokesman for Shoprite Checkers said the chain welcomed any move that would make medicines cheaper, and OK Bazaar's marketing director Mr Arthur Solomon said the chain was "very much" interested in dispensing drugs.

Star 11/5/93

Medicine plan welcomed

By Brendan Templeton and Zingisa Mkhuma

Chain stores and consumer groups yesterday welcomed the announcement that supermarkets could soon be operating pharmacies.

Pick 'n Pay managing director Raymond Ackerman said it was the welcome culmination of a 26-year battle to make medicines cheaply available.

Housewives' League president Jean Tatham said she was confident the move would lower drug prices.

Department of National Health director Dr Coen Slabber made the announcement yesterday in Durban at the national conference of the Pharmaceutical Society of South Africa (PSSA).

The PSSA said it would respond today.

Slabber said changes were needed to make medicine prices more accessible and cheaper because pharmacist services were dangerously scarce in poorer, rural areas.

Only 36 pharmacists were operating in the self-governing territories. It is not known how many supermarkets serve these areas.

According to the proposed legislation, which will probably be tabled later this year, supermarkets may employ a pharmacist and operate supermarket-owned pharmacies. They could also allow pharmacists to operate their own pharmacies inside their stores.

A Johannesburg pharmacist, who may not be named because of professional rules, said he believed allowing supermarkets to dispense drugs was a symptomatic treatment of the problem.

He asked why drugs were more expensive in South Africa than in the rest of the world, adding that the root cause of the problem lay in the fact that high prices made drugs inaccessible to the majority of the people in this country.

Shoprite Checkers said it would gladly help the Department of National Health make medicines cheaper and more accessible.

OK Bazaars' marketing director Arthur Solomon said the food chain was "very much" interested in dispensing drugs.

Pharmacists: Prof warns of shortfall

DURBAN. — South Africa would have a shortfall of between 2 300 and 4 400 pharmacists by the year 2010 at current rates of growth, according to a professor at the Medical University of South Africa.

Professor Rob Summers, head of the university's School of Pharmacy, yesterday told more than 200 pharmacists attending the national conference of the Pharmaceutical Society of South Africa here that there was a gross geographical maldistribution of public sector hospital pharmacists, ranked by the ratio of beds-per-pharmacist.

Taken with the data for age-group and race distribution, figures showed that a policy of deliberate neglect, as well as mismanagement, was applied to areas populated largely by black people.

"Pharmacy student numbers peaked in 1986 (at 1 559). By 1992, the number had fallen to 1 039 (a 33,3% drop)," Prof Summers said. — Sapa

'Health for all' pledge

MORE than 200 delegates at the Pharmaceutical Society of SA conference in Durban signed a pledge yesterday to support the goal of health for all by the year 2000. Delegates recognised that primary health care was a priority and should be accessible to all.

REPORTS: Sapa, Business Day Reporters.

Pharmacists are 'elitist, ignorant'

DURBAN. — Pharmacists have become elitist by refusing to mix with other professions and in some cases are downright ignorant about medicines — despite their degrees in pharmacology and chemistry.

This was said yesterday by Mr Johan Schlebusch, director of the Medicines Control Council (MCC), at the conference of the Pharmaceutical Society of South Africa being held here.

He said the society was dominated by community pharmacists, all of who were threatened by issues such as pharmacy ownership by supermarkets and medical aids, dispensing doctors and the possibility of mail-order medicines.

"There has been a chemist shop mentality. At a pharmacy conference earlier this year I challenged community pharmacists to approach local factories and industries to handle their pharmacy business.

"Only two of the more than 250 delegates present said they had done so."

Mr Schlebush said he was appalled at the ignorance regarding the legal, ethical and professional requirements among pharmacists.

"I say this after more than 1 400 inspections (of pharmacies by the MCC) where pharmacists were ignorant not only about medicines but other aspects of professional life."

"Ethical rule number one is to tell the patient about the medicine he is receiving. But pharmacists don't inform their patients." 96

He said a vibrant, dedicated and competent pharmacy profession was in the MCC's best interest. CT 13/5/93

Pharmacists' conference

DURBAN — The Pharmaceutical Society of SA yesterday adopted wide-ranging resolutions at a national conference to shore up the profession and health care in the country.

One of the resolutions instructed the executive committee to pursue, in conjunction with the Health Department, a system for community pharmacists to distribute free syringes, needles and condoms to drug users to combat the spread of AIDS.

The society noted that pharmacists could ill-afford not setting in motion a service to this effect, but that it was the responsibility of government to ensure that citizens had access to preventative health care and education.

Delegates also adopted a motion that the executive committee implement a strategy to enhance the image of pharmacies in health care delivery. — Sapa.

FM 14/5/93.
(96)

PHARMACEUTICAL INDUSTRY

Fighting reform

Government seems determined to press ahead with far-reaching reforms to the pharmaceutical industry despite vociferous opposition from a host of vested interests that include pharmacists and the ANC.

Addressing the annual conference of the Pharmaceutical Society of SA in Durban this week, Health Department Director-General Coen Slabber said government would support the ownership of pharmacies by nonpharmacists — a proposal that will revoke the monopoly that pharmacists now enjoy. The legislation could be tabled in parliament this session.

"I must be quite frank with you and say that the department has never fully understood your stance in this regard," Slabber said. "When it comes to the manufacturing or the sale by wholesalers of medicine, it is acceptable for people other than pharmacists to be involved in the ownership of these types of pharmacies. But when it comes to community practice, this is apparently categorically unacceptable."

Slabber said government would also support the idea of pharmacies run by medical schemes, an innovation made possible by the passage this year of the Medical Schemes Amendment Act. He pointed out that nearly 30% of all benefits paid out by schemes were for medicines. "If medical schemes can supply medicines cheaper to the public in their own dispensaries, the department will support this initiative."

Government is also happy to give its blessing to retail outlets such as supermarkets employing pharmacists to run in-store discount dispensaries. But pharmacists believe that the proposed deregulation will displace the traditional community pharmacy. Said Slabber: "Concern has apparently been expressed that this would lead to the erosion of ethical standards. This, we believe, would not necessarily be the case and can only be regarded as conjecture."

In a move aimed at cutting its losses, the SA Pharmacy Council, a State regulatory body, says that if community pharmacists cannot offer the public large discounts, retailers who can should be allowed to apply to it for permission to do so. The council has the right to approve every application by a non-pharmacist to run a pharmacy. President Johan van der Walt warns that pharmacists rejecting this "controlled deregulation" could end up with the total deregulation of the industry.

Though government is determined to implement these far-reaching reforms, it appears reluctant to press ahead with allowing increased use of generic drugs. Health Minister Rina Venter last year committed her department to this internationally accepted cost-cutting mechanism of substituting cheaper equivalents for branded prescription medicines. Now government is hedging its bets on parallel imports — cheaper imported equivalent drugs — to cut prices. The Medicines Control Council has just approved an abbreviated form of registration to allow these cheaper equivalent drugs into SA. The Department of Trade & Industry still has to decide on the workability of this proposal.

Said Slabber: "Generic substitution is a step that we will not take immediately. It has been decided to hold this step until the success or otherwise of other proposals has been assessed. If other proposals do not measure up, we will reconsider this option." He stressed that government was not abandoning this option.

FM 14/5/93
(96)

Government's reforms, however, could be short-lived. The ANC's Mano Chetty told the conference that there was support for some of government's initiatives — for instance, the use of generics — but that government's "unilateral restructuring" compounded the problems of the health system.

She said that "in line with the ANC commitment to a mixed economy, the provision of health care by the private sector will continue to be acknowledged and regulated." She added that a national health system was still high on the ANC's agenda. ■

FOCUS: *A new law will enable consumers to buy cheaper drugs*

Trimming the pharmacies' excess fat

CRITICAL CONSUMER

Pat Sidley's weekly column on controversial issues



PHARMACISTS, needless to say, are not happy that legislation likely to be enacted later this year will allow supermarkets or other enterprises to operate pharmacies and sell drugs. This was previously the preserve of the pharmacists.

Nobody else shares their dismay, mostly because consumers assume supermarkets will sell the drugs more cheaply — an assumption which may not be realistic.

But there are some things consumers and the regulatory authorities may wish to watch out for if, say, Clicks, Pick 'n Pay or any of the other stores carry drugs.

They already have a huge "shrinkage" problem and prices have soared as a result. The drug industry and pharmacies also suffer from theft. One hopes that supermarket crime will not escalate once they have drugs on the premises. And one also hopes that drugs will be kept in an environment more sterile than the loading areas one tends to see around supermarkets.

Pharmacists have also expressed the concern that their professional standards and ethics may be compromised if the operator of a supermarket where they might be working tries to force them to compromise on certain technicalities of their work — like, for example, whether to wait for a written prescription on certain scheduled drugs, or to dispense the medicine after phoning the doctor. This problem, of course, would apply to any employed pharmacist. But in any case, it is the opinion of this Critical Consumer — and backed up by more thorough research by the Consumers Association in the United Kingdom — that self-employed pharmacists are often more motivated by monetary gain than ethical considerations.

In any event, the whole arena of what pharmacists, doctors and others in the health care industry may or may not do within a collapsing structure generally is now more fluid than ever before, and there should be plenty of scope for pharmacists to continue to earn a living.

The proposed legislation may well enable group practices: that is, the notion that a group of doctors, nurses, specialists and pharmacists can set up together and practice as a group.

Additionally, it would seem as though medical schemes will be able to manage the dispensing of drugs to their own members — although because they have been so liable to corruption and mismanagment up until now, this would have to be carefully monitored.

It is all the more evident that things are changing and need change when consumers take note of some information coming out of this week's Pharmceutical Society conference in Durban.

Drug prices are among the highest in the world, according to an African National Congress spokesman. Most consumers know this and one hopes that either this government or the next will be in a position to regulate the situation, not only in supermarkets, pharmacies and the like, but at the source of the drugs and the high prices — the companies themselves.

Pharmacy is a largely white, largely urban profession. Only a handful of black pharmacists exist, almost none in private practice. Certainly it would be true to say that the majority of South Africans living in urban areas or in rural areas do not have the service of a pharmacist.

Few pharmacists go into the public service to work in hospitals, and again this shows the same maldistribution. Those who are in the public service are in the wealthy white urban areas.

Says Dr Coen Slabber, the director general of the Department of National Health, in the homeland areas (excluding the TBVC states) there are only 36 pharmacists. Of 8 742 pharmacists in the country, well over 80 percent are in private practice. He also noted in Durban that many pharmacists were undertrained and suggested that pharmacists were in large part responsible for their own problems. This Critical Consumer finds herself agreeing with the government on this.

While pharmacists bemoan their fate with inroads made into their earning capacity by dispensing doctors, supermarkets and so on, they should instead look back at how they have regulated their own profession and, in so doing, have sown the seeds of the present situation.

They have not trained black pharmacists, they have declined to work in black areas, they have refused to work in the public service — mostly in the name of personal gain. Now they would seek to blame the government, doctors and everybody else for a system they willingly participated in, and are responsible for.

But an enormous amount of the ills in the industry lie at the feet of the pharmaceutical industry which holds societies here and elsewhere to ransom, stating that if their fat margins are cut or regulated, they will not be able to do research into new drugs.

What they are effectively saying is: let us fleece you and maybe we will find a cure for Aids. Trim us, and you'll suffer and die from some horrible, dread disease.

It's blackmail of the worst order, keeps prices up — and it is untrue. They would have to continue to make money for their shareholders, do research and carry on as before — with slightly less fat around the middle.

And that applies to us all here, pharmacists included.



Picture: BRENTON GEACH, Weekend Argus.

□ **PILL PILE:** Hennie Serfontein, 17, has cystic fibrosis and needs to take about 100 tablets a day to stay alive. Here he is with a month's supply.

Medical 'death trap'

(96) ARG 15/5/93

Weekend Argus Health Reporter

PARENTS of children with cystic fibrosis are in despair over a new ruling which has slapped 100 percent surcharge on the drugs they need to keep their children alive.

These drugs were dispensed free from provincial hospitals to all patients with cystic fibrosis, regardless of their financial status. But, from May 1 this year, a new directive has ordered that children whose parents have medical aid will be treated as private patients and pay double for drugs.

Cystic fibrosis, one of the most common fatal inherited diseases, causes the body to produce abnormally thick mucous which clogs the lungs and digestive system. At best, life expectancy is 30 years with treatment.

Although the disease cannot be cured, international genetic research is promising. But, South African parents are afraid they will be financially ruined and their children will die because they can't afford to keep them alive.

According to Mr Paul van Niekerk, chairman of the Cystic Fibrosis Association in the Cape and father of two daughters with the condition, there was an attempt in May last year to force parents on medical aid to buy the drugs over the counter.

However, his association got an undertaking from Dr George Watermeyer, the former head of the Cape Provincial Administration's department of hospital and health services, that drugs would be free until a sub-committee he chaired had submitted a counter proposal.

This sub-committee has sent in a proposal to the Cape Provincial Administration, but to date has had no response. The new May directive was made without any reference to these negotiations, leaving Mr Van Niekerk puzzled and disappointed.

"It's not that we want the drugs for free. We're prepared to pay for them, but at a rate that isn't crippling," he said.

The Serfontein family of Somerset West has also been hard-hit by the new directive. Hennie, 17, has cystic fibrosis and takes up to 3 000 tablets a month.

Because of the debilitating effect of the disease on his digestion and lungs, Hennie weighs only 25 kg and wears the clothes of a 10-year-old. He travels by bus to his school in Kraaifontein because he cannot manage the steps at the local high school.

For Hennie's family, life revolves around physiotherapy needed to clear his lungs, antibiotics to treat the constant infections to which he is susceptible and the 100 tablets he takes a day. He frequently spends up to 10 days in hospital. Bird-watching and building model aircraft are the hobbies he uses to take his mind off his disease.

Now, with an added financial blow of paying 100 percent extra for drugs, the family are feeling desperate.

Mr Van Niekerk said that, while neither he nor Hennie's parents would compromise their children's treatment by not getting the medication, there were others who might be forced to cut back, sentencing their children to an earlier death. Many of the 100 families affected by cystic fibrosis in the Western Cape would see their medical aids rapidly exhausted, turning the entire family into state patients.

Hennie's mother, Mrs Nelia Serfontein, said: "It was a big shock to go from free drugs to paying double." She estimated their drugs bill alone would be about R5 000 a month.

Hennie's father, also Hennie Serfontein, said he already had a R7 000 overdraft at the bank to pay for medical costs and had just spent R700 on a nebuliser his son needed to help him breathe.

"These decisions by people in power come round to a sneaky way of murder," he said. "They've invested thousands of rand in these kids and then all of a sudden they want to write them off."

A spokesman for the CPA could not say what had happened to the proposal submitted by the committee chaired by Mr Van Niekerk.

However, he said that Mr Peter Marais, MEC for hospital and health services with the CPA, said the situation had been brought to his attention a while back.

"He is sympathetic to the plight of parents with children who have cystic fibrosis and feels the 100 percent surcharge is excessive."

Mr Marais intended to raise the matter at the next meeting of the executive committee and to submit a counter proposal.

But, these proposals would have to be approved by Minister of Health Dr Rina Venter and it was an "open question" whether CPA's policy could go against national policy.

"It should not necessary for families to exhaust their medical aids and the CPA has delegated powers to medical superintendents who are authorised to give discounts to special cases," said the spokesman.

Move to cut costs

S/Times [C/Metro]

E/

cuts out doctors

1615/93

96

THE cost of health care could be cut dramatically as increasing numbers of community pharmacists are now offering primary medical treatment without consultation fees.

By PETA KROST

At the South African Pharmacy Society's annual general meeting this week, 200 pharmacists pledged to commit themselves to further education in primary health care and its practice.

So far 32 pharmacists have obtained the relevant accreditation to examine and diagnose patients as well as to prescribe medication up to schedule four.

The areas they may cover include upper respiratory tract, ear, nose and throat infections, sexually transmitted diseases, diabetes and high blood pressure.

"Before the end of the year new regulations may be passed allowing pharmacists, who have the specified additional education, to treat patients with antibiotics and other higher schedule medicines under certain conditions," said Mr Gary Kohn, president of the Pharmacy Society of South Africa.

But unlike doctors, pharmacists won't be charging consultation fees. And the move also cuts down on time wasted waiting for a doctor's appointment, they claim.

"The general public will benefit from this move as greater discretionary powers for pharmacists has proved to be a cost-saving practice," said the Department of National Health and Population Development's director of pharmaceutical services, Mr Peter Hearn.

But the Medical Association of South Africa (MASA) has hit out at the move and said patient's lives could be endangered.

"Contrary to what is being presented to the public, pharmacists do not receive training which prepares them to make proper diagnoses, essential prior to prescribing treatment," said chairman of the Federal Council of MASA, Dr Bernard Mandell in a statement.

He said MASA had obtained evidence of pharmacists whose treatment of patients "has nearly ended in their death".

Mr Kohn said MASA's reaction was "a smear campaign because they feel their profession is being threatened".

Pharmacists had iniatitated this move to reduce medical costs and not to usurp the role of the doctor, he said.

While Mr Hearn said that primary health care services had always been practised by pharmacists, the Browne Commission recommended in 1992 that pharmacists be allowed more discretionary powers and access to higher schedule drugs.

But before being given these powers, a pharmacist "must satisfy the SA Pharmacy Council that he is competent to have access to the additional medicines prescribed", said Mr Hearn.

To this end, primary health care training has been incorporated into pharmacy students' training and many practising pharmacists are taking courses.

A Cape Town pharmacist, who cannot be named for professional reasons, set up a consulting room in his chemist two months ago.

It took him eight months of study and regular lectures to obtain accreditation.

He argues that the step by pharmacists balances the move by doctors to dispense medicines.

PHARMACEUTICAL INDUSTRY FM 21/5/93. (96)

In the centre, Dr Venter

The arguments against deregulation are unconvincing

Early last year, Health Minister Rina Venter unveiled several proposals to reform the high-priced pharmaceutical industry. Certain vested interests have been fighting a long rearguard action but the impressive Venter looks set mostly to get her way.

Allowing pharmacists to substitute prescription medicines with cheaper generic equivalents; giving them the go-ahead to initiate therapy and dispense certain higher schedule medicines without a doctor's prescription; allowing cheaper imported medicines — are all cost-cutting mechanisms which have pulled down drug prices around the world. They also form part of the recommendations of the Browne Commission and the controversial, uncompleted Wim de Villiers report.

Along with several other proposals, though, they would amount to extensive deregulation and increased competition — for drug manufacturers, doctors and pharmacists. So they haven't been too popular with an industry that's been closeted from competition for years.

Certainly, last week's annual conference of the Pharmaceutical Society of SA (PSSA) — the pharmacists' professional association — depicted an industry torn between reform initiatives and fighting them tooth and nail.

Venter, however, is undaunted. Faced with a drugs bill that ranks among the highest in the world — in the private sector 29% of medical benefits paid out by schemes in 1991 went to medicines — she keeps pushing ahead with reforms. And to complement a recent warning to the pharmaceutical industry by Finance Minister Derek Keys to "get its house in order or face unintelligent government intervention" *(Business* May 9), Venter has already made substantial progress towards deregulating the industry.

The Medical Schemes Amendment Act, passed earlier this year, paves the way for schemes to employ pharmacists and run their own pharmacies in a managed health care environment. The potential savings are huge, since schemes are likely to exert greater bargaining leverage with drug manufacturers.

Pharmacy Council president Johan van der Walt says recent studies have shown that medicine costs can be cut by as much as 75%, by applying managed health care principles to pharmacy infrastructures. This can be done, for example, by using limited medicine lists and generics, and curtailing the prescription habits of doctors who have no interest in how much a prescribed drug costs.

Venter is also about to table the Pharmaceutical Amendment Bill this session. This will clear the way for pharmacists to join multidisciplinary medical practices — for example, with doctors and nurses.

It's a move that's been welcomed by pharmacists. But they're up in arms over a proposal that ends the ban on nonpharmacists employing pharmacists and owning pharmacies. And it's not difficult to understand why: the move will make it possible for large department stores to run their own discount dispensaries, using their buying clout to bargain with manufacturers. Pick 'n Pay and Clicks last week expressed a keen interest.

It's the kind of reform that saw the birth of discount drug stores in the US; it also put a lot of small pharmacies out of business.

Pharmacy Council registrar Chris van Niekerk, who contributed towards drafting the proposed law, admits that the same could happen in SA. "Pharmacists need to meet the challenge of providing accessible and affordable services to the community. If they can't, the council should then be in a position to judge applications by nonpharmacists to own retail pharmacies, to employ pharmacists and to make exemptions."

But PSSA president Gary Kohn is adamant: "The society will not accept the unconditional opening up of ownership of pharmacies. Permitting nonpharmacist ownership could not be justified in most circumstances, as this threatens loss of professional control of standards."

Venter disagrees: "I don't believe standards will be compromised since professionals are still obliged to adhere to the standards set by their respective councils." She's also convinced that professionals should be free to choose who they want to work for.

Health Director-General Coen Slabber, also addressing last week's conference, took the opportunity to attack a few sacred cows: "The (Health) Department has never fully understood the pharmacists' stance in this regard. When it comes to the manufacturing or the sale by wholesale of medicines, it is acceptable for persons other than pharmacists to be involved in the ownership of these type of pharmacies.

"But when it comes to community practice, this is apparently quite categorically unacceptable." Slabber stresses that government will support nonpharmacist owned services where they would drop prices to the public.

Another far-reaching reform, implemented in March by the Medicines Control Council, opens the door for pharmacists to import and register cheaper brand medicines already available — a practice known as parallel imports.

It's a reform that, not surprisingly, has been bitterly opposed by drug manufacturers fearful of having their local margins eroded. They argue that the savings to be gained are largely negligible, compared with the risks of counterfeit drugs entering the market under the guise of parallel imports.

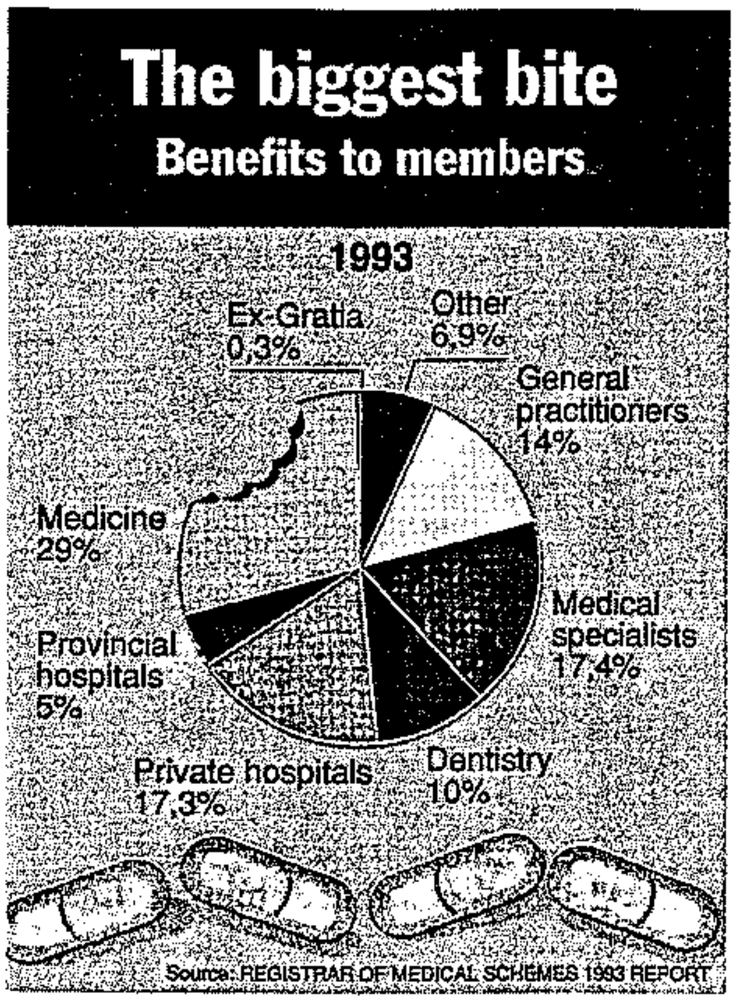
Arguing the case for manufacturers, Adcock Ingram Pharmaceuticals marketing manager Stavros Nicolaou suggests that parallel imports will stretch the resources of the Medicines Control Council, as the identification of drugs will become increasingly difficult.

Says Nicolaou: "The parallel importer will ride on the back of the innovative (locally represented) manufacturer, and won't be able to offer any backup or guarantees. As the local manufacturer cuts back on production, supplies will no longer be guaranteed. It's estimated that R1bn of our medicine is already stolen, and this will place the patient at greater risk."

Dismissing these arguments, Medicines Control Council director Johan Schlebusch insists that the council has the ability and existing network to control and source parallel imports. "The greater the risk involved, the more stringent the tests we will use." Schlebusch explains that a parallel import is exactly the same product as the one on the local market — but will originate from a subsidiary which manufactures or sells it for less than the SA-based manufacturer.

Critics argue that it won't be long before manufacturers around the world decide to standardise their prices for each product, to avoid these price discrepancies. Slabber disagrees: "International experience has clearly shown that this is a policy which can contribute significantly to reducing the cost of medicines."

Parallel imports are commonplace in



Europe. In 1991 they accounted for medicine sales of £250m.

Manufacturers also highlight what they believe is the potential threat to local employment. After all, as Schlebusch says, the Medicines Control Council is only concerned with the safety and efficacy of a drug.

Clearly the issue is far from cut and dried. Says Slabber: "The legal aspects applicable to parallel imports, such as copyright, protection of intellectual property and harmful trading practices, may first have to be thoroughly investigated and tested before parallel imports could be freely marketed in SA." The Department of Trade & Industry is also to investigate the economic implications. Meanwhile the Medicines Control Council has adopted a simplified form of registration for these products — this takes six weeks as opposed to the 38 weeks usually needed to get any other product registered.

Drug manufacturers have also had to contend with a recent Competition Board decision that restricts them to charging a single volume-based sale price to all buyers. This recommendation is expected to become law soon.

Certainly it's a victory for wholesalers and retail pharmacists, who felt discriminated against when manufacturers started giving doctors huge volume-unrelated discounts five years ago — when pharmacists threatened to make greater use of generics. Kohn argues that this discriminating pricing caused an unlevel playing field.

A more serious allegation is that doctors have been profiteering by pushing drugs unnecessarily through prescriptions. Under this system, manufacturers have also been accused of recouping the discounts to the doctors by overcharging wholesalers and retail pharmacists, thus ultimately passing on a greater burden to the public.

The pending legislation is said to contain heavy penalties for non-compliance — but critics remain dubious as to how successfully these rules can be enforced.

In recent times, other reforms have also made their way on to the statute books. The Pharmacy Council has lifted all bars on advertising; allowed pharmacists to enter into contracts with medical schemes; and scrapped the compulsory 50% mark-up that has traditionally translated into a 100% mark-up at the retail level. Pharmacists in recent years have given discounts of up to 40% — though an *FM* survey conducted last year shows that some of the most commonly used drugs in SA are on average 120% more expensive than the same drugs in the US.

It's interesting to note that the PSSA last week recommended that pharmacists give no more than a 15% discount — but it's a recommendation that still suggests a closed shop mentality and a lack of understanding of the nature of competition.

Other recent innovations have given pharmacists greater clinical powers to compete with doctors in providing affordable and accessible health care. The Department of Health clearly supports the principles of pharmacist-initiated therapy; the Representative Association of Medical Schemes (Rams) has indicated that it will support this principle in practice — indeed, some schemes already recognise pharmacy-initiated therapy in their benefits.

In the past two years, the Medicines Control Council has also identified certain Schedule 3 and 4 medicines which pharmacists can dispense without prescriptions from a doctor — for example, to treat certain bacterial infections. Says Slabber: "It is gratifying to note that the Pharmacy Board has not wasted any time in considering appropriate alterations to the curriculum for undergraduates, as well as additional learning programmes for serving pharmacists to equip them for this added responsibility."



Venter

Government has also identified a greater role for pharmacists in its primary health care policy — and pharmacists have leapt at the opportunity. Many pharmacists have undergone family planning training, making this service widely accessible. Other services offered by pharmacists include blood pressure, cholesterol and blood sugar monitoring. But warns Slabber: "It is absolutely essential and incumbent on each individual pharmacist that he exposes himself to the necessary training" — a duty that pharmacists have committed themselves to in a written resolution.

While co-payments for medicines by patients at the time of dispensing have largely become the norm in recent years, government has indicated its support for schemes that set maximum prices for certain types of medicines — "maximum medical aid pricing." Of course, since the newly passed Medical Schemes Amendment Act abolishes minimum benefits and guaranteed payments, there's no room for legal sanction on this one.

Another proposal, still under discussion, looks at the possibility of introducing a professional fee for pharmacists and dispensing doctors. This would replace the mark-up system and also, it's argued, eliminate the temptation to prescribe only the most expensive drugs.

A reform that hasn't, however, made it to the statute books is the one that would allow generic substitution by pharmacists.

It's an internationally tested cost-cutting method that Venter has always had at the top of her reform list. Grave concerns, however, were expressed last week that government is bowing to pressure from the multinational drug manufacturers, already incensed by the reforms on parallel imports.

Says Slabber: "This is a reform we will not take immediately, though it's been considered at great length. Government will hold this proposal in abeyance until such time as the success of the other proposals has been assessed. It has definitely not been abandoned by the department."

Of course, the anomaly of the debate is that generic medicines have been safely used in State hospitals for over 30 years but original drug manufacturers and doctors continue to question their safety and efficacy, without any consideration for the millions of rands saved through their widespread use.

The Pharmacy Council's Van Niekerk stresses that, like any other medicine, generics have to meet stringent quality standards. He argues that patients, like any consumer, should be given the choice of a cheaper medicine. But, notes Van Niekerk, "by the time the patient gets to the pharmacist, the doctor has already decided on the drug choice, even though the pharmacist is fully qualified to recommend a cheaper, effective and tested generic."

Doctors often argue that pharmacists are not competent to interfere with their treatment. But medical schemes administrator David Boyce says the thinking in the US is increasingly that pharmacists should have the final say over medicine choice, because of their in-depth knowledge of medicine.

SA's distribution chain also adds to the exorbitant drug bill the consumer ultimately has to foot. The industry argues that around 70% of all medicine is sold on tender to the State for, at most, a third of the price paid for the same product by the private sector.

Cabinet sees reason

Of course, the threat of price controls always looms as the possible course of action of a desperate government. Boyce points out that price controls exist in some form in most countries around the world, except for SA and the US. Says Boyce: "Between 1973 and 1983 SA had a voluntary form of price control that saw manufacturers motivate every price hike they wanted. It's a pity that no accurate method of assessing the effectiveness of this system was kept. Since 1983, however, medicine prices have on average increased at 2% above inflation." Boyce clearly favours price controls for an industry which he believes exhibits the classical signs of market failure.

But the Cabinet rejected price control — proposed in the controversial Wim de Villiers report on the industry — because it is contrary to free market principles.

Venter remains firm. "We need to bring about a truly free market through deregulation, before we can decide whether or not it has failed." ■

Pharmaceuticals, tight rein boost Premier 34%

DUMA GQUBULE

RESTRUCTURED Premier Pharmaceuticals (Prempharm), formerly Twins Pharmaceuticals, reported a 34% increase in attributable earnings to R78,1m on a 4% increase in turnover to R456,1m for the year ended April.

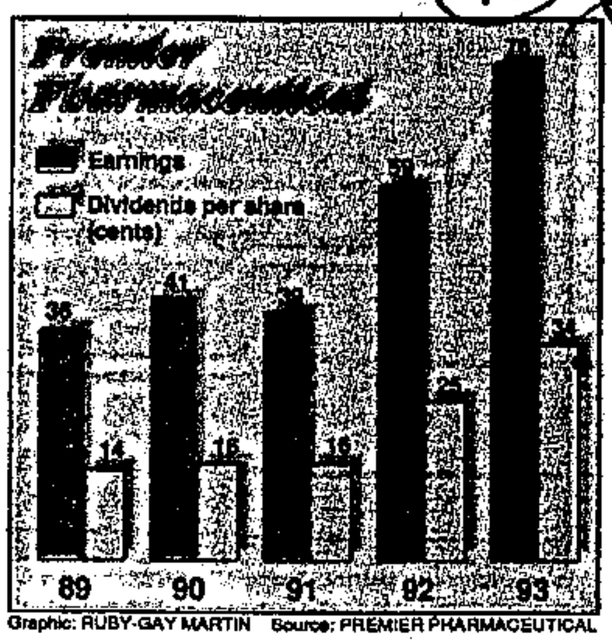
This was equivalent to earnings of 78,5c (59,2c) a share from which a dividend of 34c (25c) was declared.

The previous reporting period was 13 months. The company provided annualised figures for financial 1992 to facilitate comparison with the latest figures.

Prempharm's impressive showing, which followed a 51% increase in earnings the previous year, was attributable mainly to a good performance by the group's pharmaceutical division, good working capital management and a recent rights issue which had boosted cash resources.

The group in March issued 8,5-million new shares for R78m.

CEO Phil Nortier said that while growth in turnover was only 4%, operating income had increased 11% to R118,5m (R106,3m).



Graphic: RUBY-GAY MARTIN Source: PREMIER PHARMACEUTICAL

Other divisions had not performed according to expectations. The animal health division had suffered because of the drought, while the severe recession had affected the consumer and vision care divisions.

However, product rationalisation had given the company a sound base from which to expand.

There was a turnaround on the interest line, with interest received of R7,2m compared with an outflow of R4,8m the previous year. This reflected a sharp increase in net cash reserves to R153,2m (R16,9m).

Income before tax rose 24% to R125,7m (R101,5m). Tax absorbed R48,3m (R43,4m) and attributable income came to R78,1m (R58,1m).

Nortier said the new secondary tax on companies had been treated as a charge on profits and was included on the tax charge. The reduction in company tax rate had resulted in a release from the provision for deferred tax of R2,8m which was reflected as an extraordinary item.

The company's cash resources would be used for investment in new products and capital expenditure necessary to upgrade manufacturing facilities.

The company expected to achieve real earnings growth in the year ahead, despite uncertainties prevailing in the pharmaceutical industry and difficult trading conditions.

ADCOCK (96) (NEW)

Powerful muti

With medicine prices under continual scrutiny and the debate over SA's health care system raging, it must have been with a little trepidation that Adcock Ingram (AI) released results which show a 36% increase in earnings. Group CE Don Bodley is quick to point out that overall price increases were kept below inflation.

First-half performance was certainly good, but not out of line with compound annual growth of nearly 30% since 1985. If prices are generally kept under inflation, how does the group get such good results?

The cash flow statement provides a partial answer. Cash generated by operations grew 23% to R80m, 87,8% of annualised total liabilities. AI remains an increasingly strong cash generator. Coupled with a balance sheet that shows no debt to speak of and cash holdings of R38m, the extremely strong financial strength becomes clear.

Despite the large cash holding, which AI wants to deploy as soon as it finds a suitable acquisition, return on net assets rose to 28,5% from 26,2% a year before.

Earnings were also enhanced by a better operating margin — 15% compared with 13,8% — and a lower effective tax rate, thanks to dual tax, which Bodley says

* Cont—D

helped taxed profits by R6m.

Most of the six business units did well, though considerable pressure was experienced by the wholesale business which continues to operate in a highly competitive sector characterised by severe discounting.

Bodley says the strength of brands and benefits of new products should see operating income continue to grow at similar levels.

CASH COW

Six months to	Mar 31 '92	Sep 30 '92	Mar 31 '93
Turnover (Rm)	428	487	479
Operating income (Rm)	59,0	81,8	71,6
Attributable (Rm)	32,3	44,2	44,0
Earnings (c)	118	161	160
Dividends (c)	33	72	42

That could be a conservative prediction — as the table shows, stronger growth was recorded in the second half of 1992, and if this year's interim is any indication AI should be in for a spectacular year.

Financial director Wally Holmes cautions that all sectors are experiencing increased competition, so it will be increasingly difficult to match the historical trend of performance improving in the second half. We'll believe that when we see it.

The share price seems to be discounting a better second half: it has climbed about 40% in the past year to R88, 26% this year alone. The yield is demanding — 1,3% against the sector's 2,3% — and it has the highest p:e ratio of 27,4. But it's unlikely to be left off institutional shopping lists.

Shaun Harris

Alarm over cough syrup abuse

ST Times 6/6/93

96

LEADING doctors and psychiatrists called this week for a ban on over-the-counter sales of Phensedyl, a popular cough mixture which they say is causing misery in thousands of South African homes.

A psychiatrist who is an expert on habit-forming substances said the preparation contained a combination of ingredients that could produce a "high" that made it dangerously addictive.

The cough remedy's main addictive ingredient is codeine phosphate, also available in many other patent medicines.

Refuse

However, medical experts say its inclusion in a pleasant-tasting liquid draws substance abusers to swallow it by the bottle, rapidly increasing dependency.

The Department of Health requires that sales of Phensedyl and its slightly cheaper generic equivalent, Lenazine Forte, be recorded by pharmacists as a Schedule 2 preparation.

The records are subject to periodic state inspection, and responsible chemists refuse to sell more than one 100ml bottle at a time. But addicts spread their purchases over scores of chemists, making it virtually impossible for pharmacists to identify dependency.

"Comparatively moderate addicts buy two to three 100ml bottles a day, which means that a good deal of their time is spent finding chemists they haven't patronised recently," said one doctor.

By ROY RUDDEN

"At this level of consumption, they are already well hooked, and will go to extreme lengths to get a fix, because the withdrawal symptoms are very unpleasant indeed.

"Deprived of the cough mixture, abusers will shake uncontrollably, sweat profusely and become irritable to the point of violence."

Another doctor described the system of recording Schedule 2 drug sales as a joke.

"Many chemists simply ignore the system in the interests of high turnover. Not that it matters much — visits from inspectors appear to be rare."

A spokesman for May Baker, the manufacturers of Phensedyl, said: "If the rules of Schedule 2 drugs were strictly adhered to, there wouldn't be a problem. Unfortunately, not all pharmacists are applying the rules.

"Making Phensedyl a prescription-only drug is not the answer. The problem is that when there's a quick buck to be made, some people tend to ignore scheduling regulations," he said.

Parents accused of killing son

Sunday Times Reporter

THE parents of three young children will appear in court tomorrow charged with murdering their eldest son.

The father, 24, and mother, 26, of Swartkops, Pretoria, will also be charged with assault and grievous bodily harm relating to all three children.

Their son died in 1991 — when he was two — after being treated in hospital for what the parents said were injuries from a fall.

In March 1992, their two-month-old daughter was found by doctors to have a bruise on her stomach. She was placed in foster care.

On May 5 this year, their youngest child, born in March, was admitted to the HF Verwoerd hospital with five broken ribs. The attorney-general decided to lay charges against the parents.

Star 15/6/98

Health-care costs make you ill

BITTER PILL Illness has become an extremely lucrative business. **LANA JACOBSON** looks at the just some of the reasons behind spiralling health-care costs.

IMAGINE a world full of healthy people ... What would happen to the world economy? What would happen to the mega-billion-rand drug industry? What would the powerful pharmaceutical companies dream up next?...

Perhaps they could package "consumer friendly" sacks of unpolluted air. Perhaps that's on their drawing boards.

It is hardly a secret that medical costs in South Africa have reached the stratosphere in price and that prescription drugs are the main target of consumers' and health-care reformers' wrath.

But, can anything be done?

Invariably, when the topic is scrutinised, the debate boils down to paying exorbitant prices for drugs or not having them at all.

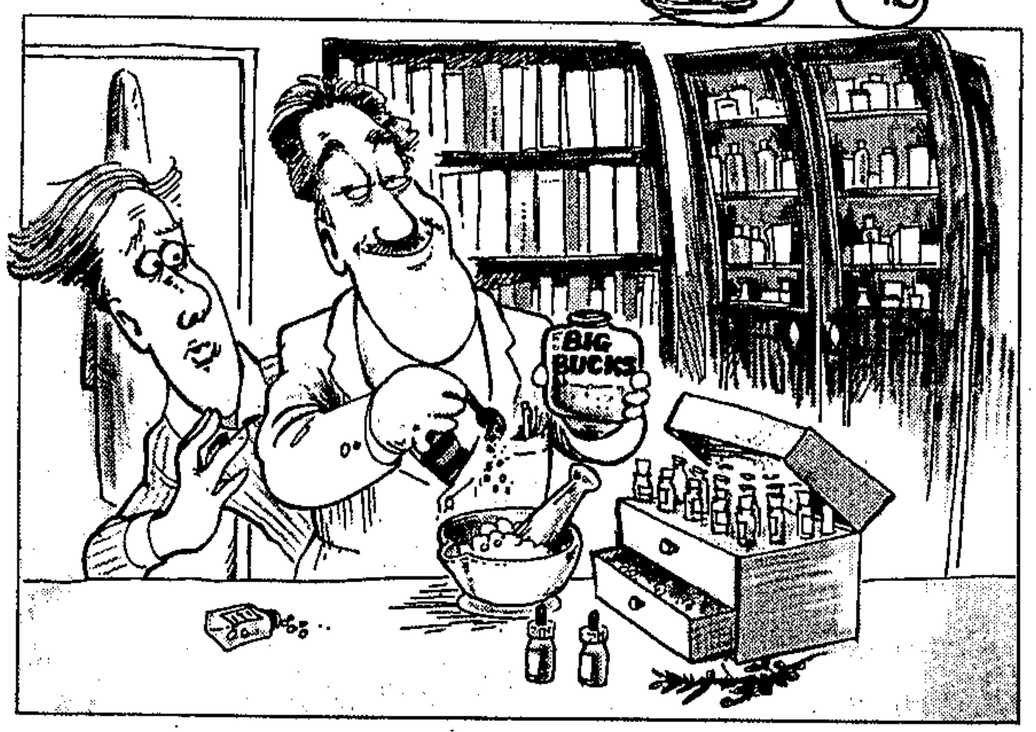
Pharmaceutical research laboratories make a powerful argument that developing tomorrow's antidotes is a big-money venture.

"It costs upwards of $200 million (about R640 million) to get a product to market," says a spokesman for American multinational Johnson & Johnson.

Moreover, says Martin Jennings, Glaxo corporate affairs manager in Isando, drugs may be expensive, but they offer substantial savings and personal freedom from a lengthy stay in the hospital.

"More attention should be given to the debate of quality of life aspects in the treatment of disease," he says.

The current market-oriented, underinsured US health-care industry has become a focal point of President Bill Clinton's administration. By appointing his no-nonsense wife, Hillary, Clinton is determined to get medical costs to return to earth and that a majority of Americans be able to afford adequate health insurance.



While the critical situation in the US may seem strikingly similar here, we actually face a double whammy: Our marketplace is small and few active ingredients for medicines are manufactured in South Africa, other than paracetamol and aspirin.

"All active ingredients are imported, and our weakening exchange rate makes it nearly impossible to keep costs down," says a retailer of a large pharmaceutical firm.

Typically, aside from the capital employed for development, a medication's price must include the costs of:

- Sugar-coating or encapsulating;
- Packaging and labelling;
- Marketing;
- Quality control;
- Storage;
- Distribution.

What is most alarming is the quantum escalation of prices from factory to patients. While the mark-ups in the US and the UK are typically in the range of 20 percent, in South Africa the figure is well above 100 percent, not including VAT. The reason is largely due to much heftier profit margins by wholesalers and pharmacists.

And then there are the inflation-busting price increases ordered by the pharmaceutical companies. There is no shortage of examples.

In the US, Wyeth-Ayerst raised the price of Premarin, an oestrogen replacement used during menopause, 131 percent between 1985 and 1990, according to a recent Senate report.

Johnson & Johnson stirred outrage last year by charging the equivalent of R3 900 for a dose of its colon-cancer treatment Ergamisol, even though another firm sells a veterinary drug with the same active ingredient, Levamisole, for just R42.

In its defence, J & J said that it reformulated its version for human use and the price of its drug was comparable to other cancer treatments available here.

And there's an ulcer medication that costs R300 for 30 pills. "That price was an instant cure for my ulcer," quipped one patient.

Other overlooked factors include salary demands, labour union problems and the increase in price of the actual organic compounds. And we haven't even touched on replacing ageing plant and equipment.

True, it can be argued that people are living longer; they are taking expensive pills that may not always cure the condition, but do allow sufferers to maintain and prolong their life span.

But the bitter pill doesn't end at the pharmacy counter. Consumers must either pay more to medical aid schemes as they continue to increase patients fees, or limit their benefit payments.

Medical aid companies reason that there are only two ways of controlling the escalation. Either they give less return for members' money, or they increase their fees. Generally they seem to do both!

Irate members who are relatively healthy, and never reach their allotted yearly limit also complain that the healthy support the sick and infirm.

Perhaps before reaching for the medicine cabinet, you should settle for a scotch on the rocks, a long walk, or a session of deep breathing. It will certainly be much cheaper ... and maybe, just maybe, healthier as well.

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07 JUL 1993

REPUBLIC OF SOUTH AFRICA

REPUBLIEK VAN SUID-AFRIKA

Government Gazette
Staatskoerant

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GOVERNMENT NOTICE

OFFICE FOR PUBLIC ENTERPRISES AND PRIVATISATION

No. 1136 **24 June 1993**

MINISTRY FOR PUBLIC ENTERPRISES

AMENDMENT OF NOTICE PROHIBITING A RESTRICTIVE PRACTICE IN TERMS OF SECTION 14 OF THE MAINTENANCE AND PROMOTION OF COMPETITION ACT, 1979 (ACT No. 96 OF 1979)

In terms of Notice 426 that was published in *Government Gazette* No. 14797 of 14 May 1993 I, Dawid Jacobus de Villiers, Minister for Pubic Enterprises, declared certain forms of conduct to be unlawful. This action followed upon an investigation conducted by the Competition Board into allegations of unjustifiable discriminatory practices by certain manufacturers of medicines which could eventually be sold on prescription.

There has been widespread reaction to Notice 426, much of it by persons who, for one reason or another, showed no interest in the Board's investigation or hitherto have made no submissions on the relevant issues. More particularly, comments have been received advocating certain changes to Notice 426 to cater for particular circumstances or to facilitate interpretation and implementation of the Notice. Other parties referred to the gross abuses that occur under the existing system which were mentioned in the Board's Report No. 34.

GOEWERMENTSKENNISGEWING

KANTOOR VIR OPENBARE ONDERNEMINGS EN PRIVATISERING

No. 1136 **24 Junie 1993**

MINISTERIE VIR OPENBARE ONDERNEMINGS

WYSIGING VAN KENNISGEWING WAARVOLGENS 'N BEPERKENDE PRAKTYK VERBIED WORD INGEVOLGE ARTIKEL 14 VAN DIE WET OP DIE HANDHAWING EN BEVORDERING VAN MEDEDINGING, 1979 (WET No. 96 VAN 1979)

Ingevolge Kennisgewing 426 wat in *Staatskoerant* No. 14797 van 14 Mei 1993 gepubliseer is, het ek, Dawid Jacobus de Villiers, Minister vir Openbare Ondernemings, sekere wyses van optrede onwettig verklaar. Hierdie optrede het gevolg op 'n ondersoek gedoen deur die Raad op Mededinging na bewerings van ongeregverdigde diskriminerende praktyke deur bepaalde vervaardigers van medisyne wat uiteindelik op voorskrif verkoop kan word.

Daar was wydverspreide reaksie op Kennisgewing 426, baie daarvan vanaf persone wat, om die een of ander rede, nie belangstelling in die Raad se ondersoek getoon het nie of tot nou toe geen voorleggings oor die onderhawige aangeleenthede gemaak het nie. In besonder, is kommentaar ontvang wat sekere veranderinge aan Kennisgewing 426 bepleit om voorsiening te maak vir bepaalde omstandighede of om die uitleg en implementering van die kennisgewing te vergemaklik. Ander partye het verwys na die growwe misbruike wat plaasvind onder die bestaande stelsel wat in die Raad se Verslag No. 34 vermeld word.

The Board has investigated the matter further and held discussions with a number of interested parties. In order to accommodate cogent comments and suggestions the Board has recommended that I effect certain amendments to Notice 426. To obviate any misconceptions, it must be emphasised that these recommendations do not derogate from the principal purpose of the Notice which is to outlaw discriminatory practices which are distorting competition in the market without, on the evidence presented, yielding any substantial public interest benefits.

For practical reasons the prohibition is couched in general terms which the courts in the appropriate circumstances will interpret on a case by case basis. It should be emphasised that the prohibition does not oblige manufacturers to sell medicine to all buyers at the same price, although they may choose to do so, and does not inhibit manufacturers from adopting any particular form of distribution policy.

It also does not prohibit a manufacturer from registering and/or marketing identical medicines with the same ingredients himself, or indirectly, in different pricing categories provided that he shall afford all purchasers or classes of purchasers equal access to the differently priced medicines.

I have accepted the Board's recommendations and accordingly hereby in terms of section 14 (3) of the Maintenance and Promotion of Competition Act, 1979, amend Notice 426 by making appropriate deletions and additions to it so that the substantive provisions of Notice 426 now read as follows:

"I therefore declare that it shall be unlawful for a manufacturer of medicine which can eventually be sold on prescription to sell such medicine, or otherwise dispose of it, in a manner which, directly or indirectly, discriminates between buyers, or classes of buyers, of medicine, by applying dissimilar prices and conditions to equivalent transactions thereby placing one or more buyers or classes of buyers at a competitive disadvantage vis-á-vis its or their competitors.

This prohibition shall not apply

(a) where Comed is the buyer or where the purchase has taken place under an authority granted to the buyer by the State Tender Board; or

(b) where differences in prices and conditions are objectively justifiable to provide for the difference in cost or probable cost in the manufacture and/or distribution of the medicine which may be ascribed to—

(i) the different quantities that are sold; or

Die Raad het die aangeleentheid verder ondersoek en het besprekings met 'n aantal belanghebbende partye gehou. Ten einde oortuigende kommentaar en voorstelle te akkommodeer het die Raad voorgestel dat ek bepaalde wysigings aan Kennisgewing 426 moet aanbring. Om enige wanopvattings uit die weg te ruim, moet dit beklemtoon word dat hierdie aanbevelings nie afbreuk doen aan die hoofdoelstelling van die Kennisgewing wat diskriminerende praktyke onwettig wat mededinging in die mark verwring sonder, volgens die getuienis voorgelê, om enige wesenlike voordele vir die openbare belang op te lewer.

Die verbod is vir praktiese redes in algemene terme geformuleer wat die howe in die gepaste omstandighede sal vertolk op 'n geval tot geval grondslag. Dit behoort beklemtoon te word dat die verbod nie vervaardigers verplig om medisyne aan alle kopers teen dieselfde prys te verkoop nie, alhoewel hulle mag verkies om dit te doen, en belet nie vervaardigers om enige bepaalde soort distribusiebeleid aan te neem nie.

Dit verbied ook nie 'n vervaardiger om self of onregstreeks, identiese medisyne met dieselfde bestanddele te registreer en/of te bemark in verskillende pryskategorieë nie, mits hy aan alle kopers of klasse van kopers gelyke toegang tot die verskillende geprysde medisyne sal bied.

Ek het die Raad se aanbevelings aanvaar en wysig dienooreenkomstig hiermee ingevolge artikel 14 (3) van die Wet op die Handhawing en Bevordering van Mededinging, 1979, Kennisgewing 426 deur die toepaslike skrappings en byvoegings daaraan te maak sodat die substantiewe bepalings van Kennisgewing 426 nou soos volg lees:

"Daarom verklaar ek dat dit onwettig sal wees vir die vervaardiger van medisyne wat uiteindelik op voorskrif verkoop kan word om sodanige medisyne te verkoop, of dit andersins van die hand te sit, op 'n wyse wat, regstreeks of onregstreeks, diskrimineer tussen kopers, of klasse kopers van medisyne, deur die toepassing van ongelyksoortige pryse en voorwaardes op ekwivalente transaksies en sodoende een of meer kopers of klasse van kopers in 'n mededingend nadelige posisie teenoor sy of hulle mededingers te plaas.

Hierdie verbod sal nie van toepassing wees—

(a) waar Komed die koper is of waar die aankoop plaasgevind het met die magtiging wat deur die Staatstenderraad aan die koper verleen is; of

(b) waar verskille in pryse en voorwaardes objektief geregverdig is om voorsiening te maak vir die verskil in koste, of waarskynlike koste, in die vervaardiging en/of distribusie van die medisyne wat toegeskryf kan word aan—

(i) die verskillende hoeveelhede wat verkoop word; of

(ii) different conditions of supply, including the terms of payment, that may apply.

In this prohibition the following definitions shall apply:

"Buyer or classes of buyers" include, *inter alia,* persons or organisations who or which are directly or indirectly involved in—

(a) the purchase for resale of medicine without the end user being involved; and/or

(b) the purchase for resale of medicine directly to the end user; and/or

(c) the negotiation with manufacturers for the supply of medicine directly and/or indirectly to particular end users or groups of end users

irrespective of whether or not those involved are driven by the profit motive;

"Comed" is the Co-ordinating Committee for Medical Procurement in the Department of National Health and Population Development which is responsible for the compilation of tender documents for the acquisition of medicine and on the basis of whose recommendations, the State Tender Board approves tenders for the supply of medicine to certain government institutions;

"Equivalent transactions" means transactions that require materially the same performance;

"Manufacturer" means a person described as such in regulation (1) of the General Regulations issued in terms of the Medicines and Related Substances Control Act, 1965 (Act No. 101 of 1965), and registered in terms of the Pharmacy Act, 1974 (Act No. 53 of 1974), and shall include an "applicant" described as such in regulation (2) of the General Regulations issued in terms of the Medicines and Related Substances Control Act, 1965, and registered in terms of the Pharmacy Act, 1974;

"Medicine" means scheduled substances as defined in section 1 of the Medicines and Related Substances Control Act, 1965 and taken up in Schedules 1 and higher in the said Act: Provided that if a manufacturer registers and/or markets medicine with the same ingredients himself, or indirectly, under different names and in so doing discriminates directly or indirectly between buyers or classes of buyers of medicine, such medicine shall for the purposes of this prohibition be deemed to be the same medicine; and

(ii) die verskillende leweringsvoorwaardes, wat betalingsvoorwaardes insluit, wat mag geld.

In hierdie verbod geld die volgende omskrywings:

"Kopers of klasse kopers" sluit in onder andere, persone of organisasies wie of wat regstreeks of onregstreeks betrokke is in—

(a) die koop vir herverkoop van medisyne sonder dat die eindverbruiker betrokke is; en/of

(b) die koop van medisyne vir die herverkoop regstreeks aan die eindverbruiker; en/of

(c) die onderhandeling met vervaardigers vir die verskaffing van medisyne regstreeks en/of onregstreeks aan bepaalde eindverbruikers of groepe van eindverbruikers

ongeag daarvan of die betrokkenes met 'n winsmotief handeldryf aldan nie;

"Komed" is die Koördinerende Komitee vir Mediese Bevoorrading in die Departement van Nasionale Gesondheid en Bevolkingsontwikkeling wat verantwoordelik is vir die opstel van tenderdokumente vir die aankoop van medisyne en op grond van wie se aanbeveling die Staatstenderraad tenders vir die lewering van medisyne aan bepaalde owerheidsinstansies goedkeur;

"Ekwivalente transaksies" beteken transaksies wat wesenlik dieselfde prestasie vereis;

"Vervaardiger" is 'n persoon wat aldus omskryf word in regulasie (1) van die Algemene Regulasies uitgevaardig kragtens die Wet op die Beheer van Medisyne en Verwante Stowwe, 1965 (Wet No. 101 van 1965), en geregistreer ingevolge die Wet op Aptekers, 1974 (Wet No. 53 van 1974), en sluit in 'n "applikant" as sodanig omskryf in regulasie (2) van die Algemene Regulasies uitgevaardig kragtens die Wet op die Beheer van Medisyne en Verwante Stowwe, 1965, en geregistreer ingevolge die Wet op Aptekers, 1974;

"Medisyne" beteken geskeduleerde stowwe soos omskryf in artikel 1 van die Wet op die Beheer van Medisyne en Verwante Stowwe, 1965, en opgeneem in Skedule 1 en hoër in die genoemde Wet: Met dien verstande dat indien 'n vervaardiger self medisyne met dieselfde bestanddele of op 'n onregstreekse wyse onder verskillende name registreer en/of bemark en met sodanige optrede regstreeks of onregstreeks diskrimineer tussen kopers of klasse kopers van medisyne, sodanige medisyne vir die doeleindes van hierdie verbod as dieselfde medisyne geag sal word; en

PTO—D.

"**Price**" includes, *inter alia,* discounts, the granting of bonuses, samples and gifts which relate directly or indirectly to the sale of medicine."

I also determine that the amended Notice shall come into operation on **10 August 1993** and that the prohibition set out in Notice 426, which was scheduled to come into operation on 28 June 1993, shall forthwith lapse.

"**Prys**" sluit in onder andere, diskonto's, die toestaan van bonusse, monsters en geskenke wat regstreeks of onregstreeks verband hou met die verkoop van medisyne."

Ek bepaal ook dat die gewysigde Kennisgewing op **10 Augustus 1993** in werking sal tree en dat die verbod wat uiteengesit is in Kennisgewing 426, wat geskeduleer was om op 28 Junie 1993 in werking te tree, onmiddellik verval.

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14898—1



Chemists are there to help addicts

■ Today is International Drug Abuse Day. To coincide with this event and highlight South Africa's growing drug problem the Drug Wise Campaign of the South Africa Association of Community Pharmacists is running an advertising campaign to inform people that many pharmacists offer free counselling to substance abusers.

JACQUELYN SWARTZ
Weekend Argus Reporter

COUGH mixtures, diet pills and painkillers — these are some of the habit-forming drugs being legally abused in South Africa.

In response to the alarming increase in substance abuse, the South African Association of Community Pharmacists, (SAACP), launched its Drug Wise Campaign.

Started last June, the campaign has already equipped about 1 200 pharmacists across the country with skills to counsel addicts, concentrating mainly on over-the-counter and prescription drugs.

Mr Greg Bloom is one of those counsellors.

Since passing the SAACP exam a year ago Mr Bloom, who works at a Foreshore pharmacy, has helped several clients face up to their addictions.

"We are not trained to treat people for drug abuse," he said. "If I notice people using a drug excessively it is my job to caution and counsel them on the use of that drug."

Mr Bloom sees Drug Wise counselling as a first line of defence against substance abuse and says the service is both accessible and confidential.

For free advice, substance abusers can visit any pharmacy bearing the Drug Wise logo.

New law 'may lower health care expenses'

CT 28/6/93

Staff Reporter

HEALTH care costs in both public and private sectors are expected to be reduced when pharmacists begin to prescribe and dispense certain medicines which have been legally available only through doctors.

This development follows amendments to the Medicines Control Act (101 of 1965), published for comment in the Government Gazette last week, which envisages changes to permit pharmacists with approved training to prescribe and dispense medicines above Schedule 2 for specified conditions, including influenza, bacterial infections and inflammatory conditions.

President of the Pharmaceutical Society of South Africa Mr Gary Köhn said he welcomed the initiative of the Department of National Health and the Medicines Control Council in improving the public's access to primary health care.

He said there was a general misconception that diagnoses of illnesses were the exclusive rights of doctors, but pharmacists had an inalienable right to diagnose and treat illnesses and prescribe medicines.

He added that the level of pharmacists' training in diagnostic skills and administering treatment had been questioned, but he gave the assurance that only pharmacists who had satisfactorily completed relevant courses under strict control of the SA Pharmacy Council would be permitted to offer the new services.

In keeping with the amendments to the Pharmacy Act affecting present pharmacists, changes to the five-year pharmacy curricula have been introduced at universities and by 1994 graduates will have covered this additional training.

Move to alter medicine law

BDay

JONATHAN DAVIS

PROPOSED changes to the Medicines Control Act could allow pharmacists to prescribe and dispense a range of medicines previously available only through doctors. 29/6/93

Proposed amendments to the Act, which appeared for comment in last week's Government Gazette, would allow pharmacists with approved training to prescribe drugs above schedule II for conditions including influenza, bacterial infections and inflammations. (96)

Pharmaceuticals Society of SA president Gary Köhn said the changes proposed by the National Health Department and the Medicines Control Council were part of an initiative to improve community access to primary, preventative health care. (483)

He said his society welcomed the move, which would increase the role of community pharmacists in treating illness.

SA competitiveness rating falls — report

BDay 29/6/93

(257) (54)

GRETA STEYN

SA has dropped from eighth to 11th place in the 1993 World Competitiveness Report's survey of 15 non-OECD economies.

SA was featured for the first time last year in the report, a joint venture by the World Economic Forum and a European business school. The 730-page publication is not yet available in SA, but a summary of key findings was released yesterday by ISG subsidiary Business Futures Group.

Factors pushing down SA's competitiveness included "harmful" international trade policies, protectionism, state involvement in the economy, "deterrent" taxation, low productivity growth and very low overall skills levels.

SA's weak spot remained its human resources. It was at or near the bottom of the non-OECD group in worker attitudes, competitive values, educational structures and availability of skilled labour.

Singapore was again the top non-OECD country, winning seven of the report's eight key measurement categories.

It analysed 37 OECD and non-OECD economies in terms of internationalisation, domestic economic strength, role of government, finance, infrastructure, management, people and science and technology.

SA scored a lower rating than last year in four of the categories — internationalisation, government, finance and science and technology. It remained stagnant in two (management and people) and registered a slight improvement in two (domestic economic strength and infrastructure).

Singapore's business environment outperformed the others in competitiveness, which was enhanced by socio-political stability, partnerships with foreign firms, education, in-company training, worker attitudes and "competitive values".

Hong Kong was second, followed by Taiwan and Malaysia. Brazil was second-worst and Pakistan last. Japan was the top OECD country, followed by the US.

World Competitiveness Project director Stephane Garelli said a key feature of the 1993 study was the increasing levels of structural blue-collar and white-collar unemployment in world economies.

"The prospect that a future economic recovery may not necessarily regenerate employment produces all the ingredients for a formidable social time-bomb," he said in the preface of the report.

New tariff structure 'can reduce costs'

GAVIN DU VENAGE

THE new refuse removal and street sweeping tariff structure could reduce costs to business by as much as 50%, Johannesburg City Council rates and services director Andy van Zyl said yesterday. BDay 29/6/93

The council is now charging separate tariffs for street sweeping and bulk waste removal. The entry for street sweeping appeared on this month's statement and has drawn criticism from businesmen who feel the additional charge is unfair.

Van Zyl said the new structure was intended to spread the cost of street sweeping more equitably and to reduce waste removal charges. (123)

Previously, council bulk waste disposal charges were used to subsidise street sweeping. However, as many businesses used private contractors for waste removal, they were getting the street sweeping service free. (2566)

This also meant that businesses using council waste removal services were subsidising the street sweeping services for those using private contractors.

Rent action 'is still on'

BDay 29/6/93

GAVIN DU VENAGE

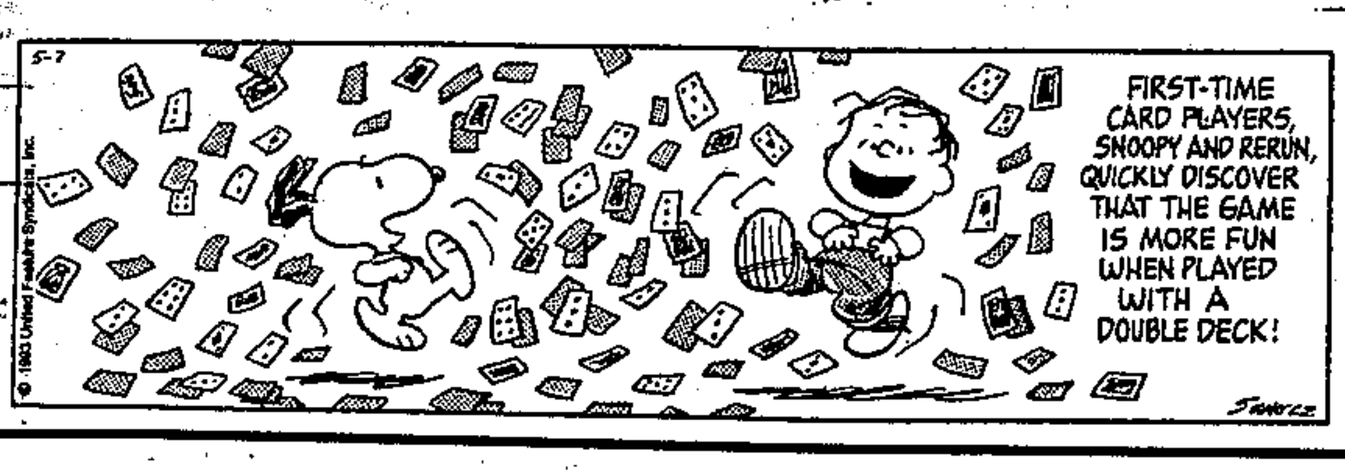
A REPORT that Soweto's rent and service boycott had ended was not true, Soweto Civic Association publicity secretary Pat Lephunya said yesterday.

Lephunya was quoted at the weekend as saying the boycott was over, and that Soweto would soon be administered by Roodepoort and Johannesburg. (123)

He said negotiations still taking place were making progress, but agreement had to be reached on tariffs and amalgamation.

The Greater Soweto crisis committee is to meet today, although the ANC will not attend. ANC local government deputy head Matole Motshekga said the organisation had to clarify its position in the chamber.

PEANUTS By Charles Schulz



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...came drowsy. ...e came to, the ... was raping her on ...surgery bed.

The woman's husband said his wife had telephoned him at work a few days later and told him to come home.

Relatives were there and the husband was told about the alleged rape.

His wife telephoned Labuschagne and said she wanted to see him or else she would go to the police. The doctor arrived at their house within 10 minutes.

The husband had hidden a tape recorder in a flower pot. He then went into the next room.

His wife and the doctor were talking when his wife called him. He found Labuschagne bending over his wife and thought the doctor was trying to molest her.

He hit the doctor on the nose, causing bleeding. The doctor had the tape recorder in his hand. It fell to the floor.

A friend arrived at the house, whom Labuschagne thought was a lawyer. The friend asked what the doctor had done to the woman and "asked where the money was".

Labuschagne had deposited R495 into the woman's bank account. He had allegedly told the couple that not everyone carried R5 000 in their back pocket.

At no stage did the doctor admit he had raped the woman, the husband said.

The hearing continues.

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...Pieter La... ...e has pleaded ...lty.

...he woman, who is in ...er 20s, gave evidence in camera on Monday.

Yesterday the woman's sister (20) told Regional Court president P A J Kotze that her sister had told her she went to Labuschagne because she had a migraine.

The doctor, according to the sister, injected something into her arm

Doctors oppose dispensing proposals

By Danielle Gordon

The Medical Association of South Africa (Masa) has cautioned against a proposed amendment to the Medicines Control Act which would permit pharmacists to dispense medicines without a doctor's prescription for influenza, inflammations and bacterial infections.

Dr Bernard Mandell, chairman of the federal council of Masa, said the proposed change was "likely to compromise quality health care".

At present, pharmacists can dispense only unscheduled and schedule 1 and 2 substances without a doctor's consultation.

The amendment proposed by the Medicines Control Council would allow pharmacists to provide some medicines which fall into schedules 3 and above.

The South African Association of Community Pharmacists said it welcomed the development.

SAACP executive director David Pleaner said the move would increase access to health care for those unable to afford a doctor.

A final decision on the amendment to the Act will be reached in the next few months.

De Klerk will visit Bush

By Peter Fabricius
Star Bureau

WASHINGTON — The South African embassy in Washington has dismissed suggestions that President de Klerk's visit to former President George Bush this week is "politically insensitive".

SA's ambassador to Washington, Harry Schwarz, confirmed De Klerk would visit Bush privately this week while he was in the US to meet President Clinton and to receive the Philadelphia Liberty Medal.

Some newspaper reports said US State Department officials had described the visit to Bush as "politically insensitive" to Clinton.

Schwarz disclosed that Bush had invited De Klerk to see him and said the embassy knew of no State Department disapproval of the visit.

The State Department had been kept fully informed about De Klerk's arrangements and nothing had been done without its knowledge.

Schwarz said the meeting with Bush was personal and had no political significance.

"Mr Bush is no longer active in politics and Mr de Klerk will be seeing several other people across the political spectrum."

It is understood De Klerk will meet Bush in Bush's holiday home at Kennebunkport, Maine.

A White House official declined to comment.

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Call for unity to end taxi violence

B/Day 30/6/93

PRETORIA — In a bid to end the rivalry and violence endemic to the minibus taxi industry, the creation of a single national taxi association was proposed yesterday.

National transport policy forum chairman George Negota, speaking at the 13th Annual Transportation Convention conference in Pretoria, called on all taxi operators and organisations to unité into one association.

But minutes after the call for unity, the deep rifts within the industry became evident once again as taxi association chiefs took up verbal cudgels.

SA Black Taxi Association president James Ngcoya said the newly formed marketing arm of the Pretoria United Taxi Association, Taximax, was destroying his organisation.

He accused Taximax director Enos Makena of poaching key staff, drawing away Sabta members and of sowing discord in the industry.

Makena had delivered a paper earlier in the day arguing that Taximax, at its foundation in January this year, had pledged to bring professionalism, discipline, safety and profitability to the industry. He said Taximax intended to implement driver training, establish vehicle maintenance workshops and investigate new business avenues.

ADRIAN HADLAND

But Ngcoya said: "I don't know anything about this Taximax other than that it is destroying Sabta."

Negota said the violence associated with the taxi industry, which had killed more than 50 people in Soweto alone this year, had to stop.

A national taxi indaba had been planned by the policy forum at which the question of unity would be debated.

"We want to give the people an opportunity for a new start." At the indaba, a national code of conduct for operators and drivers would be drawn up, he said.

An agenda and date for the indaba were being investigated.

Old cure-all lauded in new report

B/Day 30/6/93

STEPHEN COPLAN

RECENT medical studies had shown that aspirin could effectively combat migraines, heart disease and common strokes, the SA Aspirin Foundation said recently.

Aspirin, which has been in commercial use for the past 100 years, had also been found to prevent pregnancy complications, a report released by the foundation said.

The report cautioned, however, against extensive use of aspirin by high-risk pregnant women.

In two long-term studies in the US and UK it emerged that subjects who regularly received low dosages of aspirin reported a lower incidence of migraine and musculo-skeletal pain. The reason was still being investigated, a foundation spokesman said.

Aspirin's anti-thrombotic properties were responsible for its effectiveness in preventing heart attacks and common strokes, the report said.

But aspirin should not be used regularly by people with gastric problems and by younger children.

However, Kawasaki's Disease, which usually strikes infants and small children, could be countered by aspirin and gammaglobulin, the report said.

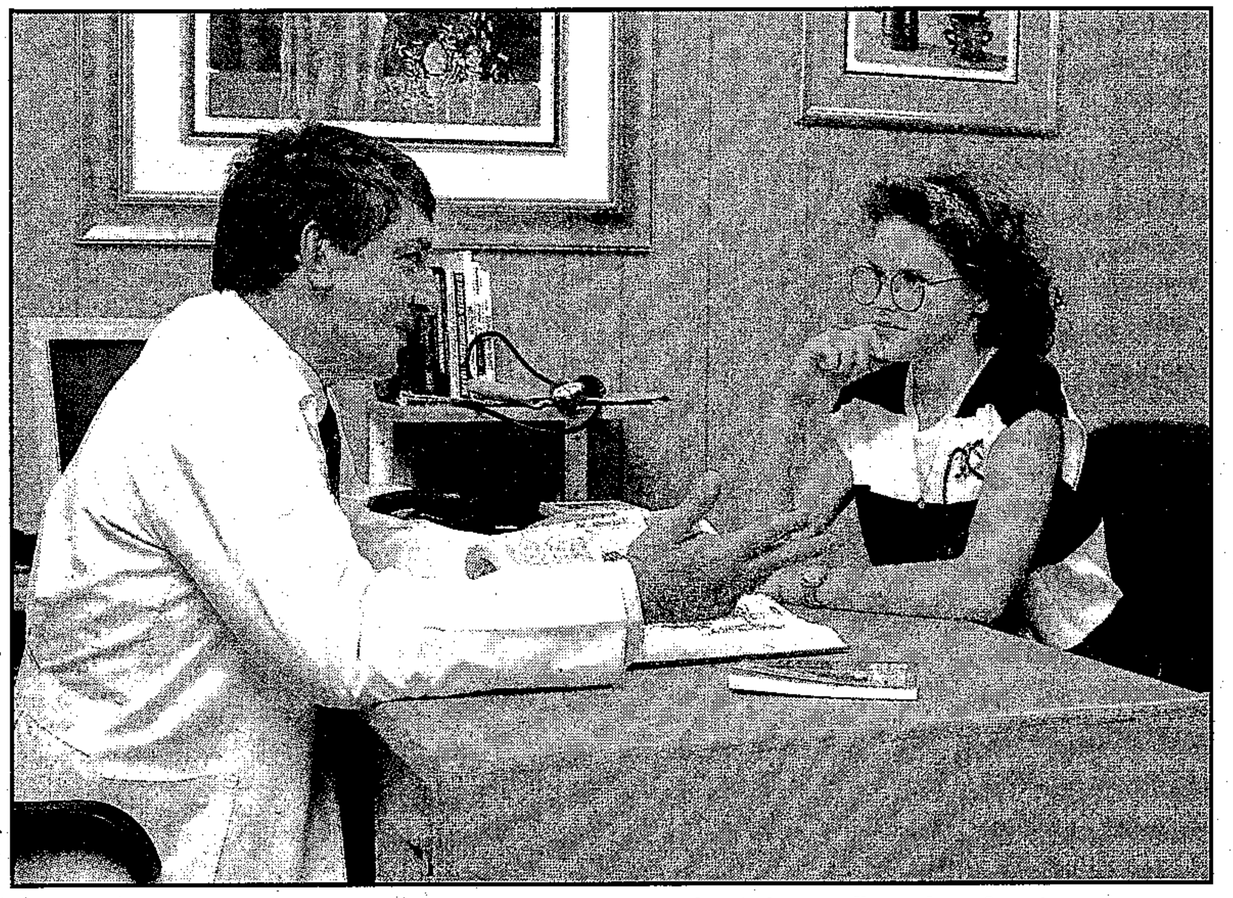


Pharmacists offer the public a wide range of services that enhance the doctor's role.

A VITAL ROLE of the pharmacist is to be a further professional check in the system

Wealth of free advice

■ GOOD HEALTH: Your neighbourhood pharmacist is able to offer you an incredible range of medical services. Make more use of them — they will keep you healthier.



Counselling . . . some 1 600 pharmacists in SA have been allowed to function as family planning advisers and dispense contraceptives

Pharmacists to further enhance doctors' role

PHARMACISTS are hoping that before the end of the year, those that have received additional training will be able to prescribe medicines up to schedule five.

Currently, pharmacists are only able to prescribe medicines up to schedule two. However, pharmacists are highly trained professionals whose professional abilities have not been fully utilised.

The move is aimed at enabling patients to go to their pharmacy for the treatment of minor ailments.

Pharmaceutical Society of South Africa president Gary Köhn says: "If the measure passes, and we believe it will, pharmacists wishing to prescribe higher schedule medicines will have to attend special accredited courses.

"Thereafter, they would be allowed to treat certain infections with antibiotic therapy.

"They would also treat upper respiratory tract infections and certain kidney and bladder infections.

Primary health care

"We will be able to help patients with tick-bite fever and give short treatments of oral corticsteroids for allergies.

"The possible change in the regulations would enable the pharmacist to provide a much broader service. It is also in line with our commitment to expand our role in primary health care and it means patients who might not be able to afford a visit to the doctor will still be able to receive treatment."

However, the pharmacist would have to convince the authorities that there was a special need in his area, such as a specific ailment in the area that needs treatment and there is no doctor, hospital or clinic in the district.

Köhn says there are only 29 pharmacies in South Africa which enjoy this special arrangement. In addition, two Pretoria pharmacies have been allowed to become clinics offering primary health care, immunisation, family planning, baby health care and advice.

Says Köhn: "The Pharmacy Council will ensure that the pharmacist does not provide treatment which is outside the pharmacist's area of competance.

"Should the patient not respond to treatment or if the patient is too ill, the pharmacist will immediately refer the customer to a doctor.

"The pharmacist is not taking over from the doctor ut rather enhancing the doctor's service."

PHARMACISTS offer a wide range of often free medical services which are currently underutilised.

Chairman of the Pharmacy Professional Awareness Campaign Neville Lyne points out that there are a number of areas in which the pharmacy is able to provide added value to its clients.

Says Lyne: "There is a wealth of free advice which pharmacists are able to provide on medication. Some medications interact with each other or the medications may react unfavourably with certain types of food.

"These interactions, when they do occur, can be fairly drastic, either causing negative reactions or degrading the effect of the medicines.

This makes the service being provided by the pharmacist important to the health and well being of the patient."

Another vital role of the pharmacist is as another check in the system. While doctors are highly trained and skilled professionals, they are human, and having the pharmacist in the prescription/dispensing cycle means there is another professional watching for possible problems.

These problems are often not the doctor's fault but rather due to a lack of information. A family pharmacy keeps a record of all the medication being taken by its clients, medicine which the client is buying over the counter, drugs which have been prescribed by other doctors, and even the client's particular circumstances such as allergic reactions.

Says Lyne: "Today, the average person is very aware of the need to keep a close check on conditions such as blood pressure and cholesterol levels. Many pharmacists are able to offer constant monitoring and screening for their clients.

"That the pharmacists' role in this area is important is demonstrated by the support being given to them by the Heart Foundation.

"Pharmacists, because of their close relationship with the community, are able to draw people in for screening who would not normally go in to a doctor's or a hospital for testing.

"The pharmacists are then in the position of being able to recommend to the patient that they visit a doctor for further tests or treatment, should the test results warrant further attention."

Testing is just one area in which pharmacists have a vital role to play in preventative health care. As treatment costs soar, so focus is shifting towards preventing rather than treating ailments.

Says Lyne: "Baby care is another area in which pharmacists interact directly with their communities. This is particularly important with young couples having their first child. The pharmacist is there to offer services such as weighing the baby, advising on various conditions, telling parents when to have their child immunised and informing them as to the location of their nearest clinic."

Pharmacists are able to offer an incredible range of advice on medication and treatment for ailments. They are linked into a sophisticated computer system which gathers the very latest information from around the world.

Lyne says South Africans even need to make more use of their neighbourhood pharmacy — it will keep them healthier.

Establishing more clinics without the cost

GOVERNMENT clinics and health facilities are stretched to the limit and so are their budgets.

The need for more family planning clinics to be established throughout South Africa gave rise to an innovative idea which has provided "more clinics without the cost".

Some 1 600 of the total 4 500 pharmacists working in community pharmacies in South Africa have attended courses and have been allowed to function as family planning advisers, counselling clients and dispensing government-issued oral contraceptives.

Pharmaceutical Society of South Africa's executive director Boet van der Merwe says people are using the service and it provides the pharmacist with a great opportunity to become more involved in the community.

Says Van der Merwe: "The scheme is set to run for an initial two years with the Department of Health monitoring the situation carefully. Since the original 1 600 qualified, another 800 have passed the course and are waiting for their permits."

As a safeguard, one of the conditions under which pharmacists may offer the service is that female patients must be examined by a doctor or clinic within 12 months.

Hospitals in crisis as pharmacists move on

THE shortage of pharmacists in hospital pharmacies is reaching crisis proportions, eroding healthcare and costing millions of rands.

South African Association of Hospital and Institutional Pharmacists (SAAHIP) president Sue Putter says the average understaffing across the country is running at around 10 percent, however, in some hospitals this can run as high as 75 percent.

Says Putter: "The main cause of the shortfall is lack of funding. The profession will not strike and they have been sliding steadily down the salary scale.

"The net result has been that an increasing number of pharmacists have left the hospital service."

The pharmacists' complaints about their income come into perspective when it is considered that in private practice they could more than double their income.

Says Putter: "The crazy thing is that the provincial authorities spend millions on drugs.

"Pharmacists are not there simply to dispense. They should be in charge of the proper use, supply and distribution of drugs."

Putter says hospital services could save millions of rand by paying salaries needed to attract pharmacists back into hospitals.

Dr Beverley Summers, chairman of the northern Transvaal branch of the SAAHIP, says that while 80 percent of the country's medicines are handled through the public sector, it employs only 11,6 percent of the pharmacists.

She points out that the Transvaal Provincial Administration spends R150 million each year on drugs. In one hospital the drug budget is R28 million, yet it lacks a computerised system.

Supporting her view that there are substantial savings to be made by employing more pharmacists, she says experience in Canada shows that for every $1 spent on pharmacists' salaries $20 can be saved.

Keeping tabs on latest info

INTERNATIONALLY there are some 25 000 professional articles relating to new medical information published each month.

The massive quantity of information being produced makes it impossible for any pharmacist to read it all. However, help in the form of an information centre for pharmacists is available.

TPS Drug Information Centre executive director Geraldine Bartlett says: "We keep the pharmacist abreast with the latest medical information.

"While the centre is not available directly to the public, they benefit through their local pharmacist who is in constant contact with the centre."

Each month the centre receives a pile of CD ROM disks and more information is added to the system. The centre has satellite links to the USA and Europe, and the top world journals are scanned.

Info on line with HealthNet

PHARMACISTS, unlike doctors and other medical service providers, have never been paid automatically by medical aid schemes.

This resulted in the pharmacists having to come to their own arrangement with the medical aids. However, there are some 249 medical aid scheme options, all with their own conditions. If a pharmacist gets one detail wrong, he runs the risk of not being paid.

For example, a medical aid member may have exceeded his limit or have left the scheme.

It was to address this problem that the countrywide HealthNet on-line system was created, the system being updated constantly with new info.

Director David Boyce says: "The rejection rate in SA is at six percent and rising. With the new system we are expecting a dramatic drop within months.

"The medical aid membership card, with a magnetic stripe, is simply swiped through a terminal."

PHARMACISTS FM 23/7/93 (96)

Weaned from protection

Deregulating SA's pharmaceutical industry appears to be an uphill battle, especially when it comes to exposing SA's closeted pharmacists to competition.

Health Minister Rina Venter clearly has the profession's support for her proposals — published in last month's *Government Gazette* — to allow pharmacists greater discretion to dispense higher schedule medicines without a doctor's prescription. But they're fighting to preserve their virtually exclusive right to sell prescribed drugs directly to the public. 23/7/93

The furore began in May, when Venter unveiled the Pharmaceutical Amendment Bill which proposed to end the ban on nonpharmacists employing pharmacists and owning pharmacies. Chains such as Pick 'n Pay and Clicks welcomed the initiative. The Pharmaceutical Society of SA condemned it, even though large retail-owned pharmacies have managed to drop drug prices to the public elsewhere.

Concerned that the Bill would put many smaller and less efficient pharmacies out of business, the society argued that allowing nonpharmacists into the industry would threaten professional standards and would thus not be in the public interest.

The uproar was clearly premature. The Bill, drafted largely by the SA Pharmacy Council — statutorily constituted to safeguard the public but made up of a large number of pharmacists — gave the council virtually sole discretion to approve or reject every application by a nonpharmacist to open a shop. (The Bill contained no guidelines to determine what sort of applications would succeed.) It did, nevertheless, make provision for a failed applicant to appeal to the Supreme Court. But it seems that all the Supreme Court was allowed to do was approve the decision or refer the matter back to the council for reconsideration — a lengthy, costly and ineffectual procedure.

Realising that such a far-reaching qualification could well render the concession to nonpharmacists meaningless, Venter withdrew the Bill before the Cabinet could discuss it. The Bill is now being revised by her legal advisers.

It might be cold comfort for pharmacists but the final shape the Bill is likely to take cannot be too difficult to predict. Venter and her department have, over the past three years, vigorously pursued a policy of deregulation despite strong opposition from a number of powerful vested interests.

In February, she passed the Medical Schemes Amendment Act which effectively allows schemes to question doctors' sole discretion in dispensing health care by allowing them to also supply health-care services. Earlier this year, she stood firm against the powerful drug manufacturers' lobby when she approved a simple system of registration for cheaper imported drugs. Last month, her department released a controversial report that specifically excludes any government role in controlling the supply or demand for hi-tech medical equipment in the private sector. And she is also looking at de-regulating private hospitals by ending their government licensing (*FM* July 16).

Her department's views on the nonpharmacist ownership issue have already been spelt out publicly. Addressing the Pharmaceutical Society of SA's annual conference in May, Health Director-General Coen Slabber was blunt: "When it comes to the manufacturing or the sale by wholesale of medicines, pharmacists accept that people other than pharmacists are involved in the ownership of these types of pharmacies. But when it comes to community practice, this is apparently quite unacceptable. Government will support nonpharmacist owner services where this would drop drug prices to the public."

The outcome, of course, is that a practice has evolved over the years that has seen pharmacists mark up medicines by 50%. This, along with tax and other fees, can translate into a 100% retail mark-up. Deregulatory moves by the Pharmacy Council in recent years have, however, put an end to this recommended mark-up system and the ban on advertising which has resulted in retail pharmacists now offering the public discounts of up to 40% — though drug prices in SA are still among the highest in the world.

Venter has based her rationale for healthcare reform on the Competition Board's recommendations and the board has also addressed the issue at length, describing the restriction on association with nonprofessionals as a restrictive practice that does not serve the public interest.

Board chairman Pierre Brooks says: "The board is not concerned about who owns the pharmacy. It is concerned that the person dispensing drugs is qualified to do so." Rejecting the argument that pharmacists employed by nonpharmacists could be subjected to unethical pressures to push certain drugs, he stresses that you don't have to be employed by someone to be unethical.

Brooks is adamant that no-one — including government — should regulate nonpharmacist applications to own pharmacies. "Government would only be acting on the advice of interest groups. In the UK, where retail-owned drug stores are the norm, government isn't involved and the system hasn't collapsed. The board's main concern is that there should be free entry into the business and a competitive environment" — a view which is likely to prevail. ■

FM 23/7/93 (96)

Health market battle looming

COMPETITION between "corporate" medicine and "grassroot" doctor organisations could bring the spiralling cost of private health care down to realistic levels — all to the benefit of the patient.

The Peninsula Independent Practioners Association (PIPA) launched in the city on Thursday night with a 450-doctor membership and R100-million combined annual income will form a powerful base to provide cheaper health care, chairman Dr Tony Berman said yesteday.

He said the timing of the "grassroots" initiative coincided with the expansion of Health Maintenance Organisations (HMOs) in South Africa.

Although Dr Berman denied their formation was a counter to HMOs, he said the patient would benefit from the initiatives. There was enough room in the market for both systems.

HMOs, of which 80% of Americans are expected to be members by the turn of the century, are set to burgeon in South Africa. An HMO is an arrangement between health fund administrators and providers of health care to deliver health services to an enrolled membership for a prepaid fee. (96) (88) CT 24/7/93

Medicine pill made sweeter

96

CT 23/7/93

Staff Reporter

A NEW "one-exit price" system for medicines, which could lead to consumers paying less for some medicines and stabilise prices, is to come into effect on August 10.

And medicine manufacturers could soon face stiff new penalties with fines of up to R100 000 or five years' imprisonment for discounting their products to some clients to the detriment of others.

This was said yesterday by Mr Lex Tannenbaum, president of the National Association of Pharmaceutical Wholesalers, who was commenting on the new pricing system that is set to become law on August 10.

In a statement Mr Tannebaum said a number of pharmaceutical manufacturers had favoured private clinics and doctors with discounts in medicine prices of up to 40% in comparison with what wholesalers and pharmacies were paying.

Tender system

Mr Tannebaum said many doctors were even able to sell medicines back to wholesalers for profits of up to 20% and had also made huge profits by selling the medicine to their patients for the same amount charged by pharmacies.

Citing another example of consumer price discrimination, Mr Tannenbaum said 80% of all medicines purchased in South Africa were sold to the state on a tender system where volumes were so great that manufacturers were forced to participate in order to generate sufficient production.

However, they had to balance the books with price hikes in the public sector.

Mr Tannebaum said the "one-exit system" would require manufacturers to publish a list of fixed prices, available to all, whereby discount would be determined by the volumes purchased but would be available to all.

A system of reference pricing meant the mark-up between manufacturer and consumer could be about 81%, but in fact the price difference between factory and consumer was about 45% because of discounts given by both wholesaler and retailer.

Edited by Mike Siluma

The spiralling cost of medicines means that patients attending South Africa's major tertiary hospitals will have to pay through the nose. ***David Robbins****, The Star's Health Writer, reports on how two major hospitals are coping with the problem.*

Desperate battle against drug prices

Star 9/8/93

HERE IS a prescription from Johannesburg Hospital. It provides medicines for the specific treatment of hypertension, diabetes, menopause, asthma, high blood pressure, rheumatism, thyroid problems, an upset stomach and a skin rash.

There are also sundry vitamins, including multivitamins, and an antibiotic. The script has 27 items and is repeated monthly without the doctor seeing the patient again for a number of months.

An essential and humane service for an ailing old lady, or wasteful over-prescribing? There are no easy answers.

In reaction to the possibility that Johannesburg Hospital is over-prescribing, a senior doctor invited me to make a random check on 20 cases at two of the hospital's clinics. The number of items prescribed for these patients ranged from nil to 10, with an average of 3,5 items per script.

Five of the scripts contained items which the Steinmetz report would have described as having "no proof of any therapeutic value"; and eight contained more than three items, which is the limit suggested by Steinmetz before a counter signature by a senior doctor is necessary.

Exceed

In a statement, the TPA said the average number of items per prescription at Johannesburg Hospital is 4,3.

Nevertheless, scores of scripts written in recent months have exceeded 15 individual items; some have exceeded 20; and at least one has exceeded 25. Another problem appears to be that doctors at specialist clinics sometimes prescribe medicines for illnesses and complaints beyond the scope of their speciality.

The TPA statement notes that one patient can be treated for several diseases:

"The policy of the hospital for many years has been to limit prescriptions, where possible, to four items per diagnosed disease."

The senior doctor said: "It's ridiculous to think that we can treat, with only three items, patients suffering from a number of conditions. Senior doctors would spend their entire time endorsing scripts with many more items than that."

This opinion tends to be borne out by the Groote Schuur experience, where, as part of its drive to cut drugs costs in 1991, a limit of five items per script was imposed.

"We found," says Siegfried Bungaroth, Groote Schuur's chief pharmacist, "that our medical superintendents were countersigning a great many scripts with more than five items. We have eased off on this rule.

"Especially with patients suffering from a collection of ailments, we let much larger scripts through. The norm is around two items per ailment.

"Yes, we also have some very large scripts. Heart transplant cases could have anything up to 21 items on each script."



Increasingly expensive . . . inflation has had a devastating effect on the price of medicines. However, Groote Schuur has shown that it is possible to fight this problem.

PICTURE: GARY BERNARD

It's worth looking at Groote Schuur's bold response to its growing drugs bill.

Expenditure on pharmaceuticals had been increasing steadily (by up to 25 percent a year) until 1990.

The expectation for 1991 was close to R30 million, not far off the R34 million budgeted for Johannesburg Hospital. Despite this, nearly 10 percent was lopped off the budget for 1991 and various procedures introduced. Among the most important were:

- Scrutiny of usage of the 20 drug items contributing most to drug costs.
- Substitution of more expensive drugs with generics where possible.
- Deletion of non-essential drugs (over 65 drugs were deleted from the hospital's formulary or drugs list).
- Restricting certain drugs to specialist units only.
- Imposing fixed budgets on selected expensive medicines.

Most of these measures proved unpopular, and it was largely through the efforts of the Medicines Control Committee, a body set up to control the cost-containment programme, that success (measured in terms of rationalising drug usage while retaining therapeutic effectiveness) was achieved.

Expenditure was cut from R24 million in 1990 to R21,8 million in 1991, a decrease of 20 percent. (Compare this to the R34 million budget and an actual expenditure of R43,3 million for Johannesburg Hospital for the same year.)

Inflation has had a devastating impact in recent years. Johannesburg Hospital's spending has soared to nearly R70 million. By contrast, the Groote Schuur hospital complex is still spending only around R24 million a year on medicines.

Important effects of the programme at Groote Schuur have been a more rational and cost-aware prescribing procedure in many areas.

Pressure has also been exerted on pharmaceutical companies to reduce prices of expensive items or see them replaced by generics or overseas alternatives.

But the experience has not been painless. Bungaroth talks of the strain placed on the staff by the drugs reforms.

"We are caught in this vortex of more and more saving. But I think we have managed to avoid sacrificing good medicine on the altar of affordability. The steps taken have not been popular, but they have been necessary. At least we all know the days of blundering along in a world of plenty are over."

Control

In addition, everyone has become more aware of the problems of theft and wastage. And problems they still are. The Steinmetz report estimates that R500 million is lost in State hospitals each year through "fraud, theft, and trafficking".

Groote Schuur was afforded a unique opportunity of tightening control when it moved into a new hospital building in the second half of the 1980s.

A "carts system" was introduced, where the needs of wards and dispensaries are serviced by hand-propelled lock-up carts which ply between the user points and the computer-controlled replenishing dispensary.

The labour-intensive nature of this system has obvious disadvantages, but there are many pluses, especially for nurses and other end-users. Has it stopped theft?

Groote Schuur's chief medical superintendent, Dr Jocelyn Kane-Berman, says: "It's been curtailed, but it's not been stopped."

Can the systems of prescribing and controlling drugs at Johannesburg Hospital be tightened up? The answer must be left to the hospital authorities.

What is certain, however, is that Johannesburg Hospital has to operate within the financial restraints facing the country as a whole.

One-price medicine ruled out

(9b)
CT 18/8/93

By KATHRYN STRACHAN

EXPECTATIONS of the early introduction of a single "exit price" for medicines were dashed last week when pharmaceutical manufacturers lodged objections to the planned regulation. A single exit price has been seen as an aid to stabilising medicine costs.

Competition Board chairman Mr Pierre Brooks said the appeal against a single exit price, the price at which medicines leave the factory, would result in a second inquiry.

Pricing unlawful

At present, manufacturers charge different prices for their products, depending on the client.

On the basis of recommendations which followed a year-long inquiry by the Competition Board, in May, Trade and Industry Minister Dr Dawie de Villiers declared the differential pricing of medicines unlawful.

But in terms of the law, the manufacturers had until last Tuesday to lodge an appeal against the introduction of a single price.

Mr Brooks said last week a court with a judge and two assessors would soon be constituted.

It was still to be decided whether the hearing would be held de novo, he said; with so many interested parties the inquiry could take up to two years.

The National Association of Pharmaceutical Wholesalers said many manufacturers had courted private clinics and dispensing doctors, promoting their products by offering discounts not available to wholesalers.

This had led to a two-tier pricing system, with wholesalers being charged inflated prices to "balance the books". The discount to doctors was rarely passed to patients.

Uniform price

Mr Brooks said the Competition Board report found that the practice had also resulted in many doctors trading in pharmaceuticals. The case of a large wholesale group which found it cheaper to buy supplies from a certain doctor rather than from manufacturers was an example.

Manufacturers opposed the introduction of a uniform price because it interfered with their marketing strategies, he said.

Pharmacists can enter GPs' domain

Star 18/2/93

96

■ OWN CORRESPONDENT

Cape Town — Pharmacists who complete a special course will soon be allowed to open their own consulting rooms and prescribe medicines for basic conditions — often without charging consultation fees.

The move, which puts pharmacists in competition with general practitioners, was explained at a press conference at an international pharmacy congress in Cape Town.

Already 27 pharmacists in South Africa, including a few in Cape Town, have special permits which allow them to consult patients, give injections and prescribe certain drugs such as antibiotics.

The permits, issued in terms of the Pharmacy Act, are seen as a forerunner to a system where accredited pharmacists will be given the power to prescribe schedule 3, 4 and 5 drugs and diagnose certain conditions.

At present, pharmacists who want permits have to motivate why they need them and also have to pass an oral exam before a panel of doctors.

Under the proposed system, pharmacists will be able to study towards accreditation which will give them the right to take on this new primary health care role.

The first step towards a broader accreditation of pharmacists has been published in the Government Gazette and three months have been allowed for comment.

Pharmacists 'to prescribe soon'

PT 18/8/93 (96)

PHARMACISTS may soon be able to examine patients and prescribe certain antibiotics and other scheduled drugs — at no cost for the consultation.

President of the Pharmaceutical Society Mr Gary Kohn said at the International Pharmacy Congress in Cape Town yesterday that amendments to the Medicines Control Act to allow this had already been gazetted for comment.

Only pharmacists who had passed an examination would be accredited to prescribe schedule 3, 4 and 5 drugs, which are currently only legally available through doctors.

These included certain drugs for high blood pressure, influenza, bacterial infections and inflammatory conditions.

"We envisage that there will be no consultation fee charged as the pharmacists will make a profit on the drugs he dispenses. However, legally pharmacists can charge a professional fee of up to R99 an hour, which medical aid schemes will pay," Mr Kohn said.

The move had drawn "some concern" from doctors, he said.

Accredited pharmacists would have to have an examination room, a stethoscope and other necessary equipment. The Pharmacy Council could take action against pharmacists who "stepped out of line".

Opening the congress yesterday, President F W de Klerk said if South Africa were to render affordable health care for everyone by the year 2000, it was essential to use all available manpower including the highly trained but underutilised community pharmacists.

HEALTH

Extended powers for pharmacists

☐ Limited diagnostic role

ANDREA WEISS
Health Reporter

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The first step towards a broader accreditation of pharmacists has been published in the Government Gazette and three months have been allowed for comment.

Gary Köhn, president of the Pharmaceutical Society, said that a meeting with doctors and nurses was planned for August 26 as these groups had expressed concern.

Mr Köhn said pharmacists were not "getting doctors back" because they dispensed medicines. He maintained that the new system would be cost effective and in the interests of patients.

When pharmacists were in any doubt, they would be expected to refer patients to doctors and would be held accountable by the Medicines Control Council and Pharmacy Council.

Both diagnosis and prescription would have to be recorded meticulously.

But it was not made clear at the briefing to what extent authorised pharmacists might advertise the fact.

A pharmacy in Muizenberg, for instance, has been sending letters to patients saying the permit "entitles me to examine patients and prescribe medications for most disease conditions".

Pharmacists are allowed to advertise their services, but advertising their new role has been of some concern to doctors.

'Single exit' drug price 'won't help'

(96) CT 9181 93

Staff Reporter

THE proposed "single exit" price for medicines would not assist the consumer in curbing medical costs, the president of the SA Pharmaceutical Manufacturers' Association, Dr Hugo Snyckers, said yesterday at the International Pharmacy Congress in Cape Town.

He said research in the United States had shown that price control on medicines had no significant curbing effect on the growth of drug expenditure.

"What is needed to curb expenditure is first a proper economic strategy for this country and then a definitive health care strategy."

At present drug manufacturers charge different prices for their products, depending on their clients. Last week they lodged an appeal against the introduction of a single "exit price" system.

Substitution with generic drugs 'in public interest'

LINDA ENSOR

CAPE TOWN — It was in the public interest for pharmacists to be able to substitute generic medicines, University of Durban-Westville's Prof Raymond Miller told the International Pharmacy Student's Federation Congress yesterday. B/Day

He argued that pharmacists were the only health professionals who were suitably trained in their knowledge of medicine and had always taken these decisions.

He said the introduction of the maximum medical aid price programme had encouraged pharmacists to recommend generic substitution. Getting a doctor's approval was usually a formality. 19/8/93

Miller noted that the medical profession opposed pharmacists being empowered to substitute. A recent Markinor survey had found that 74% of general practitioners opposed the legalisation of generic substitution, believing that pharmacists were not competent to take such decisions.

But, Miller said, there was no foundation for this view because generic medicines had been used in hospitals for years and did not require "judgmental input". (96)

"To the physician, generic substitution is clearly a usurping of the doctor's prerogative" and an unacceptable intrusion on professional freedom, Miller said.

He pointed out that multinationals were bringing pressure to bear on the government not to pass legislation allowing generic substitution by pharmacists. But this was not in the public interest.

"The drug companies have been battered by the state tender system, the maximum medical aid programme, parallel imports, dispensing doctors demanding increasing discounts and dispensing doctors forming generic companies.

"In addition, the Medical Schemes Amendment Act, passed earlier this year, paves the way for medical schemes to employ their own pharmacists. These schemes are likely to exert even greater bargaining leverage with drug manufacturers to match generic prices," he said.

In his opening address SA Pharmaceutical Manufacturers' Association president Hugo Snyckers came out strongly against generic substitution.

"Statutory generic substitution is a certain method of prejudicing the discovery of new medicines for the 75% of illnesses for which no cure exists," Snyckers said.

Doctors take trade from pharmacists

S/Times [Buss]

5/9/93

96

DOCTORS who dispense medicine are encroaching on retail pharmacists' trade.

A confidential study by research group Pharmasearch International suggests 5 000 dispensing doctors in SA will spend R540-million on pharmaceuticals this year.

About 2 800 retail pharmacies will spend more than R2-billion on medicine.

However, dispensing doctors buy medicine at a considerable price advantage to pharmacists. The reason is multiple pricing by some manufacturers, says a trade source.

The Government dropped its attempt to outlaw selective pricing last month after objections by five multinational manufacturers.

They are SmithKline Beecham Pharmaceuticals, Pfizer Laboratories, Wellcome, Rhone-Poulenc Rorer SA and Glaxo SA which control 15% of the market.

The so-called single exit price would have compelled manufacturers to have one price for all buyers.

Opponents of the five manufacturers claim that their objection could stretch the pricing disputes between dis-

By CHERILYN IRETON

pensing doctors and pharmacists by two years.

One says: "We are in the absurd situation that the distributors have been forced into buying their products from the doctors. The doctors enjoy price advantages over both wholesalers and distributors.

"This is unhealthy and deprives the public of the large discounts offered by some manufacturers.

"Although nobody disputes that dispensing doctors provide a useful social service, it is unfortunately true that some of them have developed a lucrative wholesale trade of their own in the products they buy on favourable terms from the manufacturers."

The manufacturers who blocked the introduction of the single exit price dismiss the charges as being unduly emotive. They claim the effect of their objections is likely to have been misinterpreted.

"We took legal advice on the effect of the notice published in the Government Gazette in June and concluded that its wording was so vague that is was impossible to say. whether certain normal marketing activities are, or are not, outlawed.

"This was a serious consideration because of the R100 000 fine and/or five years' imprisonment for contravention," says a manufacturer.

"The prohibition would be discriminatory in that it apparently focuses only on the manufacturer of medicines. Distributors are at liberty to indulge in marketing practices which the manufacturer would not be allowed to practise. This places corporate structures which include both manufacturers and wholesale distributors at an advantage."

The manufacturers are committed to co-operate in attempts to reduce the cost of health care.

One says: "But we believe that the gazette notice interferes to such an extent with normal market forces that it would be counter-productive and likely to lead to an increase in prices.

"For these reasons we lodged an appeal against the ruling and hope we succeed in contributing to the development of fair competition."

fund, has indicated that it did not wish to be involved in the dispute and had no interest in the outcome.

Central Witwatersrand Metropolitan Chamber chairman Van Zyl the Alberton 2000 conference at the weekend.

Doctors and pharmacists clash over drug prescribing

KATHRYN STRACHAN

DOCTORS and pharmacists are at loggerheads as the deadline approaches for proposed amendments to the Medicines and Related Substances Control Act to be passed. BDay 6/9/93

Whether the amendments are passed later this month depends on the Medicines Control Board's assessment of objections lodged by the medical fraternity.

According to Glen Merryweather, head of the Link pharmacy chain, far-reaching changes are expected in the pharmaceutical industry if the recently gazetted amendments become law.

The amendments would give suitably qualified pharmacists access to certain Schedule 3, 4 and 5 drugs, notably antibiotics and vaccines, and would allow them to provide patients with a consultative service at clinics in their pharmacies. Pharmacists would undergo further medical training before they would be qualified to prescribe.

The proposed changes would allow pharmacists to dispense medicines previously available only through doctors and would transform pharmacies from shops into community health centres, he said.

Merryweather added the move would be a major step forward in making medicines more widely available as well as reforming the ailing retail pharmacy industry.

It would also ease the burden on the state's health care facilities by providing an affordable alternative to many of their services.

But Medical Association of SA (Masa) chairman Bernard Mandell believes the greatest shortcoming of the drafted regulations is that the public interest is not put first. (96)

The potential benefits of the regulations should be weighed against the potential harm to which the public would be exposed as a result of diagnoses and medical treatment by pharmacists who had not had sufficient training and experience, he said.

In terms of the regulations, a pharmacist with only fragmentary knowledge of a medical condition would have to accept total responsibility for his evaluation of a patient, which would expose him to claims of malpractice.

Masa forsaw untenable problems in regard to professional training and control over doctors and pharmacists. The two professions were under the control of separate statutory councils. Fragmentation of regulation for people authorised to perform the same functions was unacceptable to the association.

SA Pharmacy Council president Johan van der Walt said the increased involvement of the pharmacist in providing primary health was in line with international trends and was supported by the WHO.

Medicine

JOHANNESBURG — Unless firm steps are taken to halt spiralling medicine costs, medicines will slip beyond the reach of the man in the street, the Representative Association of Medical Schemes (Rams) warned yesterday.

CT 14/9/93 (96)

Rams executive director Mr Reg Magennis said in a statement the gravity of the situation was reflected in an estimated R2,7 billion payout by medical schemes in 1992 for medicines dispensed to members.

In 1991 this figure, which excluded medicines dispensed by private hospitals and clinics, had been 28% lower at R2bn, and in 1987 the payout had been only R654 million — 76% less than the estimate for 1992.

Members' contributions for dispensed medicine had almost quadrupled in five years.

He said Rams welcomed moves towards the deregulation of pharmacy ownership although it was concerned about the unfettered powers given the Pharmacy Council. — Sapa

September 16 1993

Doctors hit out at diagnostic chemists

96 ARG ARG 16/9/93

ANDREA WEISS
Health Reporter

CAPE doctors have hit out at proposed legislation which will allow pharmacists to open consulting rooms and prescribe certain drugs to patients.

The Dispensing Family Practitioners' Association said it had "grave reservations" about granting diagnostic powers to pharmacists.

In terms of the proposed legislation, pharmacists who complete a course of study and open fully-equipped consulting areas will be able to prescribe a range of medicines — including antibiotics and oral contraceptives — after examining patients.

The association, which represents about 250 doctors in the Western Cape, said the move introduced "vast potential for medical misadventure".

It argued that pharmacists had limited clinical exposure and their diagnostic work would be subject to inaccuracies.

"The danger they pose to patients and the self-imposed risk to their professional status is unfair to themselves and to the public they wish to serve."

The association also felt that a pharmacist with limited diagnostic qualifications would not have the ability "to know the boundary between his knowledge and his ignorance" — because of "poor training and limited clinical exposure".

Doctors had to do four years of clinical training out of six years' full-time study and demonstrate proficiency in diagnostic skills before universities would qualify them.

By contrast, pharmacists did four years' scientific training and would be expected only to do a "part-time correspondence course" of self-study with a minimum of practical exposure to be allowed to diagnose patients, in terms of the legislation.

Raymond Jonas, chairman of the association, said that while doctors appeared to have a vested interest in the matter, they were mainly concerned that this legislation would put the public at risk.

A mechanism already existed for pharmacists in remote areas to be given permits to prescribe drugs in emergencies.

The argument that the legislation would broaden primary health care was a "smoke screen" because most pharmacists operated in over-serviced urban areas.

New pharmacy bill worries SA doctors

(96) CT 16/9/93

Political Staff

THE SA Medical and Dental Council, representing most doctors and dentists in South Africa, said it was perturbed about a new bill which will enable pharmacists to give patients treatment.

It said it had already addressed the Joint Committee of Parliament on Health about certain aspects of the Pharmacy Amendment Bill, which was scheduled to go before Parliament during the current session.

"The council is perturbed . . . that the bill proposes to make possible and to legalise certain diagnostic and treatment procedures by pharmacists which in the opinion of the council fall within the domain of the medical profession."

The council said it had no quarrel whatever with the profession of pharmacy but it was concerned about the differences in training and functions between the two and the fact that the bill sought to confuse this essential difference.

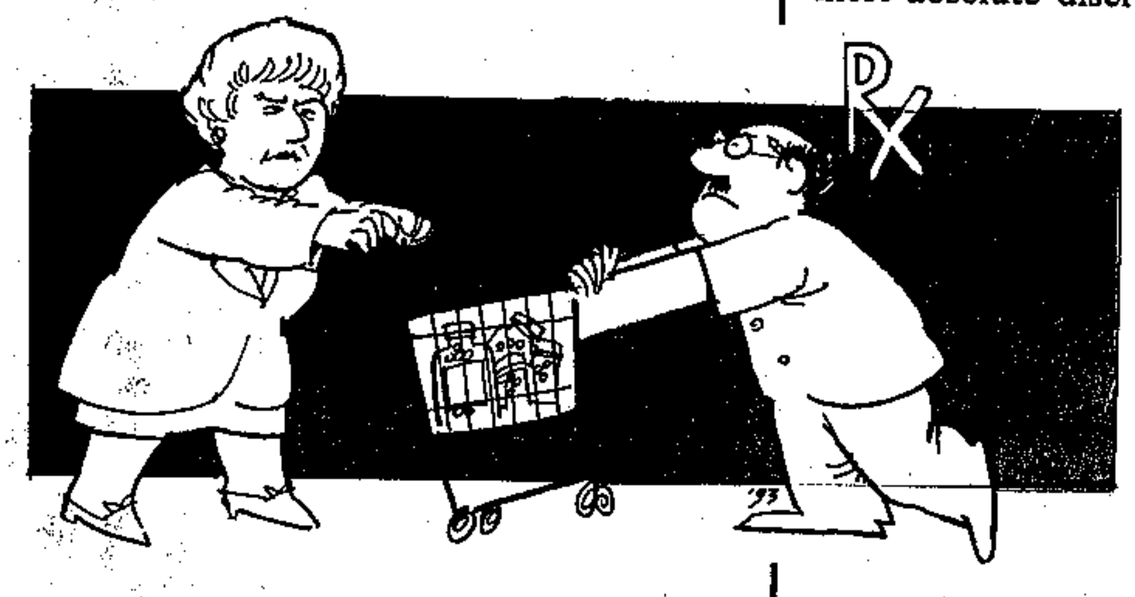
PHARMACEUTICAL INDUSTRY

Fm 17/9/93

Clinging to a monopoly

Pharmacists were pushing once again this week for legislation that protects their pharmacies from competition from the big chains such as Clicks and Pick 'n Pay and keeps drug prices sky-high. It's a move that has evoked outrage from medical schemes and private hospitals and they're likely to fight just as vigorously for the right to own and run their own pharmacies.

The row began in May when Health Minister Rina Venter unveiled the Pharmacy Amendment Bill, which proposed an end to the ban on non-pharmacists employing pharmacists and owning pharmacies. Her intention was to open up the sector to competition by granting medical schemes, commercial chains and private hospitals the opportunity to use their bargaining power to negotiate better discounts with drug manufacturers and then pass on the economies-of-scale benefits to the public.



The Pharmaceutical Society of SA, representing pharmacists and clearly concerned that many smaller and ineffective pharmacists could go out of business under such a plan, was quick to argue that the reform would threaten the professional control of standards by subjecting pharmacists to commercial pressures that would override ethical considerations.

The SA Pharmacy Council (statutorily constituted to safeguard the public but made up largely of pharmacists) drafted the Bill, according to protocol, and gave itself sole discretion to approve or reject any application by a non-pharmacist to open a pharmacy. The Bill contained no regulations or guidelines to determine what sort of applications would succeed.

Venter, realising that the council's absolute powers could nullify the concession to non-pharmacists, withdrew the Bill before Cabinet could discuss it. After weeks of negotiations with council members, she finally persuaded them to accept a version that would leave the Minister with the final say over applications from non-pharmacists. The compromise was clearly second prize for Venter, who has long supported the Competition Board's recommendations that government should not regulate the ownership of pharmacies.

But when Venter took ill last month and was replaced temporarily by Adriaan Vlok, the compromise disintegrated. The latest version of the Bill, circulated in the industry last week and scheduled for discussion by the parliamentary standing committee this week, once again vests the council with almost absolute discretion to decide applications from non-pharmacists.

The council's Elize van den Berg says the final version was just as much a surprise to the council, though a welcome one since the council doesn't believe that medicine is a normal commodity and its sale should thus be controlled by the council.

Representative Association of Medical Schemes (Rams) executive director Reg Magennis says: "We have it on good authority that the State President was lobbied by a powerful figure associated with the council. We've been told the proposals are a *fait accompli*."

Magennis, while welcoming the concept of non-pharmacist ownership still theoretically available in the Bill, is insisting that the Minister prescribe specific guidelines for applicants. He is also insisting on a right of appeal to the Minister that will enable aggrieved parties to challenge the council. Says Magennis: "Rams is concerned at the unfettered powers that the Bill gives the council to decide who will own and run a pharmacy."

The Competition Board has also objected that the legislation ignores its deregulatory guidelines.

Private hospital group Presmed Joint MD Rob Speedie says the Bill is completely unacceptable. "The Bill fails to deal with the issue of hospital pharmacies. It makes the Pharmacy Council Registrar the sole arbiter as to who can run the pharmacy and on what basis. It can also withdraw permission from non-pharmacist operations.

"The council already has adequate control over the profession to maintain standards and it should steer right away from trying to regulate pharmacy ownership," he says.

Speedie stresses that aspects of the Bill are draconian and out of keeping with modern notions of deregulation. "In particular, I refer to the power the council has to impose fines and have them enforced on the same basis as a judgment in the civil courts. The old legislation, with all its uncertainties and warts, is preferable."

Just what will transpire in parliament is not known. Venter is not likely to allow the council such a victory. She could well withdraw the Bill, leaving her little chance of retabling it before the April election. She could also pursue other legal avenues to deregulate the sector, especially to give schemes the right to reap the full benefits of the Medical Schemes Amendment Act.

The bottom line is that drug prices in SA are among the highest in the world and the current dispensation allows pharmacists to mark up drugs by 50%, which, along with other markups, translates into a 100% retail markup, though pharmacists have in recent years discounted by as much as 40%.

The irony of the debacle is that non-pharmacists have for years been allowed to control the manufacture and sale of wholesale drugs, but they don't qualify to own or control retail pharmacies.

Mirryéna Deeb

Bill heightens pharmacy dispute

KATHRYN STRACHAN

THE division between medical aid schemes and the pharmacy industry over the deregulation of pharmacy ownership increased this week when new legislation was put before Parliament. BIBay

Representative Association of Medical Schemes (Rams) executive director Reg Magennis said the proposed amendments to the Pharmacy Act would help stem the rising cost of medicines by deregulating pharmacy ownership. 2219193

Rams hoped the path would finally be cleared for medical schemes to achieve economies of scale by owning their own pharmacies. (749) (96)

However, Pharmaceutical Society executive director Boet van der Merwe said attempts by medical schemes to encroach on pharmacy ownership were, in fact, efforts to regulate and control.

Medical scheme dispensaries would not necessarily reduce the cost of medicine, but could merely transfer costs to another sector.

Community pharmacies were not responsible for rocketing medicine prices as many cost-containment measures had been implemented.

"If schemes were to examine their records dispassionately they would find that the jump in medicine payments could well be attributed to the advent of the dispensing doctor," Van der Merwe said, adding that overservicing by many doctors should also be brought under control.

The two organisations were also at loggerheads over the Pharmacy Council provided by the amendment Bill. While Rams was concerned about the unfettered powers that the Bill gave the Pharmacy Council to decide who could run a pharmacy, the society said the council was the appropriate body to adjudicate what was in the interests of the public.

Holding up reform

Fin 1/10/98

Fierce lobbying by pharmacists trying to hold on to control over the sale of drugs has once again postponed reforms that would lower drug prices for consumers.

A vote on the Pharmacy Amendment Bill was expected during the special two-week session of parliament that ended last week. But with intense debate still raging, the Bill was referred to the Joint Parliamentary Committee on Health. The committee has been inundated by lobbyists — with pharmacists on one side and private hospitals, medical schemes and chain stores on the other — but expects to wrap up deliberations by the end of next week. This could clear the way for a vote on the Bill during parliament's next special session, in November (96).

The fight will doubtless continue right up to the vote. Pharmacy Council president Johan van der Walt remains adamant that deregulation must be gradual — phased in over 10 years — and should not jeopardise the life savings of the estimated 2 000 retail pharmacists. Retailers such as Pick 'n Pay and Clicks, as well as hospitals and medical aid schemes, argue that if they're allowed to sell drugs, they would sharply reduce exorbitant prices. The law now prohibits stores and organisations not owned by a pharmacist from selling drugs. The only exception is doctors (*Business* September 17).

Fin 1/10/98 (96)

It's uncertain what the committee will recommend to Cabinet. But committee chairman Johan Vilonel has stressed the need for schemes and hospitals to run their own pharmacies. He's also believed to have expressed outrage at the way the last version of the Bill was tabled without proper notice given to interested parties — schemes and hospitals in particular.

Welcoming this thinking, Rob Speedie, joint MD of hospital group Presmed, says: "Clearly this deregulation will mean that a number of self-employed pharmacists will cease running their own businesses. But with economies of scale, it must be accepted there will be a shrinkage." Proponents add that pharmacists forced out of business will quickly find jobs with chains, schemes and hospitals that will open pharmacies, as has happened with deregulation in other countries.

When Health Minister Rina Venter unveiled the Bill in May, her intention was to allow non-pharmacists to employ pharmacists to run pharmacies. It was a reform needed to supplement the Medical Schemes Amendment Act, passed in February to give schemes greater power to keep costs in check.

But the Pharmacy Council, made up largely of pharmacists, drafted the Bill, giving itself the sole discretion to accept or reject applications from non-pharmacists to open pharmacies. So Venter withdrew the Bill and negotiated a compromise. But the council wasn't happy and after Venter took ill in August, it apparently wrested its veto power back. Outrage from schemes, hospitals and the Competition Board reopened the issue. ■

Retail pharmacies at risk

Star 4/10/93

■ BUSINESS STAFF

The future of retail pharmacies hangs in the balance.

The outlook, says Carl Schnell, chairman of Natal Wholesale Chemists (Plus), hinges on the decision of the parliamentary standing committee on health matters on who may dispense scheduled medicines in the future.

Medical aids are campaigning to be allowed to dispense medicines themselves.

But, Schnell warns: "Medical aids will have to get their own houses in order before they're able to pass on cheaper prices.

"For example, the average medical aid's overheads are 6 percent of turnover. They don't store medicines, don't deliver and are paid up front.

"Pharmacy wholesalers, on the other hand, also run at about 6 percent, but they store, deliver and have to wait for payment. So medical aids have a lot to learn about efficiency before they'll be able to pass on savings."

In addition to high overheads, Schnell says most medical aids are not taking advantage of a maximum pricing system, whereby if a generic equivalent to the prescribed medicine is more cheaply available, the patient has the option of taking the substitute or paying the difference.

"Medical aids to have adopted this system are saving their subscribers millions. But very few are doing it.

"Medical aids shouldn't open pharmacies unless they control the prescriber. Far more beneficial would be for medical aids to give incentives to doctors for prescribing cheaper generics."

Factors influencing rising medicine costs:

- The tender system. In some cases the private sector is paying 500 percent more than government institutions for the same product.
- Price discrimination by medicine manufacturers.
- The failure to legislate for generic substitution.

According to Schnell: "What we are about to do is going to cost consumers dearly. If the standing committee allows dispensing willy-nilly, it will destroy a retail pharmacy healthcare network built up over many years."

Pharmacist criticises govt, quits

CT 18/10/93

PRETORIA. — A government-appointed member of the Pharmacy Council has quit in protest against the government's handling of the Pharmacy Amendment Bill and its failure to act on exorbitant medicine prices.

Announcing his resignation yesterday, Pretoria pharmacist Mr Neels de Bruin questioned the government's motives in riding roughshod over the Pharmacy Council, the Competitions Board and the ANC Drug Policy Commission, all of whom had opposed the blanket deregulation of pharmacists' services.

The proposed changes to the Pharmacy Act, to be tabled in Parliament in November, make it possible for the National Health Department to allow retailers, including supermarkets, hospitals and medical aid schemes to sell drugs.

Mr De Bruin accused National Health Minister Dr Rina Venter of robbing the Pharmacy Council of its powers by handing control of pharmacy ownership to a single official, the director-general of health, when it had been agreed control would remain vested in the council.

"This is in direct conflict with the agreements reached earlier and is a breach of faith by Minister Venter," he said.

Mr De Bruin demanded that Mrs Venter have the proposed legislation referred back to the Joint Parliamentary Committee when it is tabled.

He also blamed the state tender system for a distorted drug market.

The pioneer of discount medicine-by-mail in South Africa, Mr De Bruin said: "I hope to continue my campaign for affordable medicines under a new government that really cares about the health of all its people."

The Pharmacy Council will hold an extraordinary meeting today to discuss the changes made to the proposed legislation. — Sapa

NEWS

Law would give Minister control

Many chemists could face ruin

Star 20/10/93

■ BY DAVID ROBBINS
HEALTH WRITER

Scores of pharmacies nationwide could face ruin if new legislation governing the registration and activities of chemists becomes law next month.

The legislation is aimed at deregulating the pharmacy business, as the medical aid industry was deregulated last year.

Amendments to certain clauses of the Pharmacy Act, worked out by the Pharmacy Council and the Competition Board, have been rewritten by the parliamentary select committee on health. The effect has been to remove control of pharmacy registration from the council and place it in the hands of the Minister of National Health.

This could have serious financial consequences for South Africa's 3 000 pharmacies, already under pressure from various sources, including their own numbers.

"It's a tragedy," a Johannesburg chemist said yesterday. "It'll probably kill half the pharmacies in the country."

One member of the Pharmacy Council has resigned in protest, and the registrar, Chris van Niekerk, said yesterday that the council would now seek a meeting with the Minister and attempt to reopen the debate.

DEREGULATION legislation is threatening the livelihood of pharmacies countrywide

96

"If the Minister can't help us, we'll appeal to the State President," Van Niekerk said.

The original draft legislation made provision for retailers other than pharmacies to sell dispensing medicines, but registration of these retailers was controlled by the Pharmacy Council.

Mike Ellis, the Democratic Party's spokesman on health, was a member of the parliamentary committee which rewrote the legislation to take control of registration away from the council and place it in the hands of the Minister.

"We did this on the recommendation of the Department of National Health," he said. "I am convinced that the changes were right. The committee was concerned about the high cost of medicine, and it was accepted that the Minister, who is publicly accountable, should control registration."

The committee also threw out a clause inserted by the Pharmacy Council which would have allowed chemists to engage in basic diagnostic practice.

Ellis said: "I concede that pharmacies are in a very difficult position. Most of them are not prepared to serve in rural areas, meaning that too many of them are concentrated in urban areas. Also they have to contend with dispensing doctors. There is no doubt that they may now face challenges from retailing medical aids and, in the future, from chain stores as well."

Minister of National Health Rina Venter said yesterday that the process of registering non-pharmacy medicine outlets would be carefully controlled.

"There is a conflict of interest here and I would like to find a solution," she said.

Venter indicated that the Department of National Health had recently appointed a task group which was looking at the grey areas between the medical, pharmacy and nursing professions. The group was expected to report by the end of the month, she said.

The executive director of the Representative Association of Medical Schemes, Reg Magennis, welcomed the changes in the draft legislation and said they would assist in the fight against escalating medicine prices.

▶ **SA Druggists on healthy growth path — Page 17**

DIAGONAL STREET

Healthy amid the sick

ST Times (Buss) 24/10/93

NEARLY half the over-the-counter medicines used by South Africans fall under schedules 1 and 2 not requiring a prescription, yet they are prescribed by doctors.

Furthermore, opinion is that nearly a quarter of all medical-aid claims are fraudulent.

SA Druggists chief executive Peter Beningfield believes that community pharmacists can increase their role in basic health care not only by diagnosing and treating minor illnesses, but by being allowed to substitute cheaper generic medicines for those prescribed by doctors.

SA Druggists owns Lennons, SA's largest generics manufacturer.

Mr Beningfield spoke at a presentation of his company's results to members of the Investment Analysts' Society in Johannesburg this week. (+88) (96)

Measures to be introduced from January are aimed at eliminating fraud and reducing costs. He estimates that the use of generics could have knocked R1-billion off the 1992 private-sector drugs bill of R3,3-billion. There is a generic substitute for 70% of prescribed drugs.

SA health care will change radically in terms of a bill before Parliament. It will allow supermarkets and discounters to sell medicines. The pharmacist's traditional 50% mark-up could become a thing of the past. Medical aids receive discounts of 20% to 30% from pharmacists.

Independent practitioners' associations and group practices have grown in number from nil to 93 in 18 months to become a buying force.

Mr Beningfield is disappointed that five multinational companies objected to the introduction of single-exit pricing of drugs. The status quo is that pharmaceutical wholesalers pay list price less 17,5% for their supplies, whereas dispensing doctors receive up to 50% discount.

More than 80% of all drugs claimed on medical aids are dispensed through pharmacists, and single-exit pricing — where customers must be offered the same terms for the same volume — would doubtless have cut costs.

SA Druggists withdrew from the Pharmaceutical Manufacturers Association, saying its policies militate against cost-cutting measures. It supports the rival National Association of Pharmaceutical Manufacturers.

SA Druggists is a different animal from the moribund one hauled out of delisted Federale Volksbeleggings two years ago.

Recapitalised and revamped, with 64% of its employees owning shares in the group, it is ready to expand in pharmaceutical manufacture and distribution, chemicals and exports.

In the year to August 1993, turnover jumped 22% to R1,83-billion. The fact that distribution turnover of R750-million was unchanged shows how much growth took place in pharmaceuticals.

SA Druggists almost maintained margins and operating income rose 21% to R123-million. Proceeds from the rights issue and better controls allowed a 42% drop in interest to R23-million, and pre-tax profit hit R100-million.

Although tax went up, the rate came down as a result of R59-million exports. Mr Beningfield says that even without general export incentives, SA Druggists can sell abroad at a profit. In fact, export margins are better than domestic ones.

Earnings a share were 59% higher at 123c and the dividend was raised to 41,5c.

The group is building a factory to make basic medicines in Malawi. Mr Beningfield believes that international Aids relief agencies will be keen to obtain supplies for Central Africa from a local site.

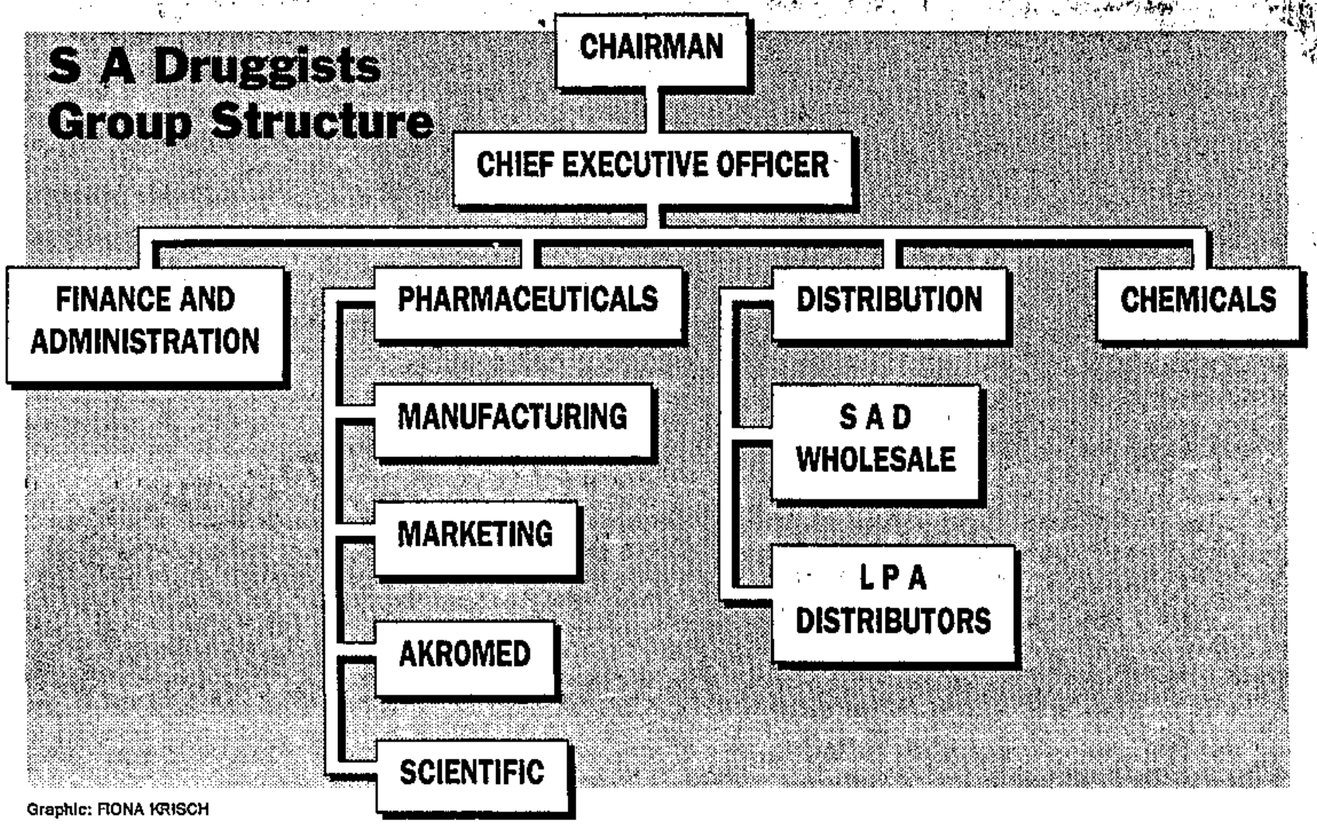
SA Druggists improved its milk powders for infants in the past year and launched 23 products. The Link pharmacy chain was revitalised.

Another 41 products are ready for launch this year. Continuing improvements in the businesses in spite of fierce competition and the arrival of parallel imports tempt Mr Beningfield conditionally to forecast more real growth in earnings.

The share price was unchanged at R27 after the results, 22 times 1993 earnings. The market has reserved judgment until news of what SA Druggists competitor Adcock Ingram has to say to investment analysts two weeks hence.



PETER BENINGFIELD



Graphic: FIONA KRISCH

Prevention is better than cure, say chemists

(96) ARG 27/10/93

☐ The focus now is on a healthier lifestyle

THE World Health Organisation's declared goal "Health for All by 2000" can only be pursued by shifting the emphasis away from treating people after they have become ill, to keeping them healthy and promoting healthier lifestyles.

This is the belief of Gary Köhn, president of the Pharmaceutical Society of South Africa (the voluntary body to which most pharmacists belong and which represents the profession.)

New emphasis on "proactive" rather than "reactive" health care may, with hindsight, appear a glaringly obvious policy to adopt, but perceptions have long been clouded by continuing publicity being given to "calamitous ill-health" hospitalisation insurance and medical aid schemes, which have focused our attention on "reactive medicine."

This is not to say that such reactive schemes do not have an important part to play, he added.

The cost of medicine should be seen in this setting. Although it is true that the "man in the street" is concerned with rising medicine costs, such expenses parallel inflationary pressure on the economy — as reflected in rising costs in food, petrol and household goods.

Medicine, used effectively, can substantially reduce the risk of very costly hospitalisation or protracted illness.

Consider, for example, the following:

- The cost of a measles vaccine and its administration against the immeasurable "cost" of infant mortality ...
- The use of a disinfectant in the sterilisation of an infant feeding bottle against the cost of an infected child.
- The stabilisation of a patient suffering from epilepsy through a fairly costly medicine regime, but making it possible for an epileptic to be a normal and productive member of society ...
- The cost of contraception against the cost of an unplanned pregnancy.
- The use of antibiotics to cure multitudes of infections that, unchecked, could compound into serious illness, expensive hospitalisation or death.

Some helpful hints on how to save money

THE following tips on how to save money on medicines comes from Hylton Mallach who represents the Medicine Discounter Group of Pharmacies in the Cape:

1) Ask your doctor to prescribe necessary medication only — you could possibly be in possession of pain tablets, cough mixtures or other substances at home and not require other medicines.

2) Ask your doctor to prescribe generically — he may prefer to use a specific generic product, in any event the price would be much less than the original.

Example
Original
Generic
Antibiotic 1
56,92
12,24
Antibiotic 2
42,92
19,15
Tablet for acidity (60 tabs)
348,73
219,60
Diuretic 1
73,76
17,96
Diuretic 2
81,37
15,90

The above prices are before any discount has been deducted and are only a random sample.

3) Pay cash for your prescription. Most pharmacists will offer you a sizeable discount. By the same token consider the service which you are getting from your pharmacist. You are likely to save money by personally discussing your requirements on a one-to-one basis in his pharmacy. He does not charge you for advice on medication.

4) Your dispensing doctor tells you that the medication which he is about to supply is less expensive than the pharmacy's. Make a comparison yourself — you could be in for a quite a surprise. You are entitled to request a prescription from your doctor.

5) Your medical aid is offered a substantial discount by your pharmacy. Are you benefiting from that discount? Does your medical aid pay your pharmacy on time?

6) What control do you have over your choice of medical aid? After all you are paying part of the monthly contributions. Why has your firm opted to use that particular medical aid and not another? Who is benefiting? It might not be you.

(7) South Africans, unfortunately, suffer a "no choice" mentality and accept what is dished out to them. You have a choice. It will save you money.



Picture: ROY WIGLEY, The Argus

HELPING HAND: A local pharmacist assists Eileen Downey who popped in to collect her prescription. Corner pharmacists play a very important role in the community and offer a wide range of services which are currently under-utilised.

How the pharmacist serves the community

PHARMACISTS offer a wide range of often free health care services which are currently under-utilised, according to the Pharmaceutical Society.

Some ways in which pharmacists serve the community is by the rapid identification of medicines, possible allergies, adverse reactions and counter measures against poisonous substances.

Another area of service supplied by pharmacists is that of consultation and advice.

It is not necessary to make an appointment with a pharmacist. All you need do is speak to the corner pharmacist.

He provides advice on: preventive healthcare; correcting lifestyles for improved health; infant feeding, ills and their identification; details of the medication prescribed by doctors, dentists or specialists (also watching out for the possibility of drug interaction or overuse, which can happen when a patient's is being treated by more than one medical practitioner); how and when prescribed medicine should be taken; self-medication for minor ills, aches and pains; homecare of a chronically sick or seriously ill patient; sexually transmitted diseases and their prevention; cholesterol levels and blood-pressure monitoring.

Certain pharmacists provide an extension of their services by visiting old age homes. In the case of the elderly, "patient compliance" (ensuring patients take their medicine correctly) is a vexing problem and monitoring intake is frequently essential.

This similarly applies to patient-compliance by the frail and elderly being cared for at home and counselling of those in charge.

In addition, pharmacists supply a "one-stop" access to a comprehensive range of medicines.

The pharmacist is obliged to stock the widest possible range according to manufacturer instructions. Many medicines are sensitive to light or heat and only the pharmacist is fully trained in such storage characteristics.

In a busy metropolitan pharmacy, certain rarely prescribed medicines are not kept in stock in the knowledge that access to them is rapid.

This implies convenience and service. The pharmacist can fill a prescription at the point of service, or within hours, at most.

Some pharmacies receive deliveries as frequently as three times a day from pharmaceutical wholesalers, to make such levels of efficiency

A qualified professional . . .

ONLY the pharmacist has concentrated his entire university degree on all aspects of medicines. Four full years of undergraduate study is rounded off by a fifth year of internship.

President of the Pharmaceutical Society Gary Köhn said: "Although the community pharmacist is the most visible part of the profession he is also present in most instances where medicine is manufactured, packed distributed and dispensed.

"He also plays his role in tertiary education at university level (schools of pharmacy and medicine), in the registration of medicines and other healthcare

R14 million network for instant info

HEALTHNET'S long-awaited countrywide electronic network of R14 million came on line last week ensuring almost 99 percent processing accuracy for participating medical schemes.

The improvement will benefit medical scheme members, through better management of members' medicine benefits, and managers battling to hold down costs of scheme administration.

Although the terminals now appearing in pharmacies closely resemble regular credit-card processors, the complexity of the near-instant calculations is far greater.

HealthNet's R14 million on-line network, which now operates 365 days a year, is under the MediKredit umbrella, the non-profit organisation providing prescription claims-processing services for the country's 2 950 pharmacies.

MediKredit serves most medical schemes in the country, consolidating and delivering prescription claims to medical schemes of more than R1,1 billion a year.

The introduction of the electronic network is expected to save participants an annual R100 million in "exceeded benefits" and "resigned member" claims as well as prevent fraud.

At the added cost to a pharmacist of a local phone call, the new system checks medicines detailed in a prescription, including prices, exclusions, maximum medicine aid price, requirement formularies (lists medicines approved for use by certain medical schemes), levies and discounts — in 60 seconds or less, no matter where the pharmacy is based.

The 'no-cost' clinics

GOVERNMENT clinics and health facilities are stretched to the limit and so are their budgets.

The need for more family planning clinics to be established throughout South Africa gave rise to an innovative idea which has provided "more clinics without the cost".

Some 1 600 of the total 4 500 pharmacists working in community pharmacies in South Africa have attended courses and have been allowed to function as family planning advisors, counselling clients and dispensing government-issued oral contraceptives.

Pharmaceutical Society of South Africa's executive director Boet van der Merwe said people were using the service and it provided the pharmacist with a great opportunity to become more involved in the community.

Hotline to top medicine info centre in the US

(96) ARG 27/10/93

☐ And it's just a call away for the pharmacist

NO matter where a pharmacy might be, the pharmacist has rapid access to the Drug Information Centre by telephone.

In turn, the centre is linked to a principal source of medicine information in Bethesda, USA — used by the centre as required.

The centre (to which only pharmaceutical profession has access) is staffed by pharmacists who assist the "corner pharmacy" in medicine treatments (dosages and interactions).

The quality of patient counselling can be enhanced through the Drug Information Centre's access to comprehensive drug information.

The centre is also able to help identify unknown solid forms of medicines for example, tablets, capsules or lozenges in accidental or intentional overdosages, general identification of unlabelled products and substances possibly being abused.

Remote identification is possible through a remarkable computer system that guides the questioning by the centre of the remote pharmacist by visual "flags."

The centre can also provide extended product information to the "corner pharmacy" at a moment's notice.

This is only a brief overview of the Drug Information Service. Any patient consulting a pharmacist, no matter how remote from the centre, can do so with confidence, knowing that he or she has access to a world of latest medicine knowledge, which backs up the pharmacist's comprehensive professional training and expertise.

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Pictures: ROY WIGLEY, The Argus

QUICK TEST: Riana Scheepers checks the blood pressure of Errol McCarthy. This is one of the many services offered by pharmacists.

Shortage of pharmacists in hospitals is critical

THE shortage of pharmacists in hospital pharmacies is reaching crisis proportions, eroding health care and costing millions of rands.

South African Association of Hospital and Institutional Pharmacist's president Sue Putter says the average under-staffing across the country is running at around 10 percent. However, in some hospitals this can run as high as 75 percent.

"The main cause of the shortfall is the lack of funding. The profession will not strike and it has been sliding steadily down the salary scale.

"The net result has been that an increasing number of pharmacies have left the hospital service," she said.

The pharmacists' complaints about their income come into perspective when it is considered that in private practice they could more than double their income says Miss Putter.

"The crazy thing is that the provincial authorities spend millions on drugs.

"Pharmacists are not there simply to dispense. They should be in charge of the proper use, supply and distribution of drugs."

Miss Putter said that hospital services could save millions of rands by paying salaries needed to attract pharmacists back into hospitals.

Vider powers for harmacists on cards

ARG 27/10/93 (96)

SS to medicines in high ules will provide pharma- with greater treatment lity.

present, a pharmacist is o treat illness only when bstances are unscheduled tained in Schedule 1 or ule 2.

endments to the Regula- of the Medicine and Re- Substances Control Act 101 of 1965) were pub- for comment on June 25 *Government Gazette.* ents have been submit- d will be reviewed by the ines Control Council

new regulations envis- will permit pharmacists, pproved training, to sup- tain medicines in sched- ove Schedule 2 for spec- conditions identified by CC, including influenza, ial infections and infla- conditions.

MCC is made up of doctors, pharmacologists and other medical specialists and pharmacists. The MCC's plan to change the Regulations of the Medicines Control Act was done on a scientific basis and is an evolutionary process which extends pharmacists' access to an extended range of products, enabling them to provide cost-effective health care services — a worldwide trend.

The Department of National Health has recognised that the countrywide network of pharmacies and pharmaceutical services is well placed to provide access to primary and preventive health care to most of the population. There are more than 2 900 community pharmacies in South Africa.

Access to such professional help is practical and convenient. Members of the public can walk into any pharmacy, without an appointment, ask to speak to the pharmacist and receive professional health care advice free of charge.

There are small charges for cholesterol, blood-pressure, pregnancy and similar tests. Such screening services enable the pharmacist to detect conditions at an early stage that require referral to a doctor.

Gary Köhn, president of the PSA, said the level of pharmacists' training and skills in administering treatment had been questioned.

He gave an assurance that only pharmacists who had satisfactorily completed relevant courses under the strict control of the SA Pharmacy Council would be permitted to provide the extended range of services.

Reinforcing this, he said, was the Pharmacy's Ethical Rule 22 which did not permit a pharmacist to perform any professional function for which he is not adequately trained.



PRESCRIPTION DRUGS: Some of the medicines pharmacists may soon be allowed to dispense if amendments to the Medicine Control Act are passed.

What pharmacists say about possible changes to drug laws

ARG 27/10/93 (96)

THE ARGUS spoke to various local pharmacists about their views on the proposed amendments to the Medicine Control Act which would allow pharmacists greater flexibility in prescribing drugs.

New legislation would allow them to prescribe medication up to Schedule 5 with specific restrictions once they had done additional training.

A note of caution comes from Hylton Mallach who represents the Medicine Discounter Group of Pharmacies, of which there are 32 operating in the Cape.

"It must be stressed that the proposed new amendments are very restricted. They apply to specific products for specified indications only.

"Unfortunately, the perception of the public may be that they can avoid their doctor and use a pharmacy instead," he said.

For years pharmacies and doctors have co-operated in the best interests of patients and Mr Mallach feels that this this the way to carry on, unless in situations of extreme emergency, or in situations where patients' finances are severely restricted.

Another local pharmacist who prefered not to be identified said: "I'm very much against the situation. Its all very well to say we can treat for specific conditions, but unless you are trained to recognise all conditions, how can you recognise those which are serious and those which are not?

"Everybody talks about pharmacies now serving a primary health care function. But 99 percent of pharmacies in South Africa are not in primary health care areas. I dont' have people dying of pneumonia and lack of vitamins in my area.

"There are, of course, many places where there are no doctors, pharmacies or clinics that really need primary health care. In such a situation, a pharmacist could perform a primary health care function because the good that he could do would far outweigh the bad," he said.

Support for the proposed amendments came from Hamid Park of Kempark and Broad Road pharmacies in Wynberg who said he was in favour of the proposed amendments provided the additional training was done by pharmacists.

Figgy Katzman of Scala Pharmacy, Claremont, also supported the move and said: "Once we have completed the prescribed course, I think we will be qualified to treat certain conditions requiring medication up to Schedule 5."

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Gwen wins her fight not to testify

By JAMES BRITTAIN

THE Pharmacy Board backed down this week after demanding that consumer columnist Gwen Gill give evidence at an internal inquiry into a medicine-by-fax business.

Mrs Gill had refused to give evidence to the inquiry on the grounds that it would compromise her professional integrity.

Her lawyer, Mr David Hoffe, told the panel presiding over the hearing that his client could not give evidence as she "cannot be seen to take sides".

The award-winning writer risked criminal charges under section 40 (1) of the Pharmacy Act by throwing down the gauntlet to the board. However, after a 10-minute private session in chambers, the inquiry panel accepted Mrs Gill's refusal to testify.

She was summonsed to the hearing in Pretoria after writing a story about cut-price medicine in January this year.

A group of Johannesburg pharmacists were accused of "disgraceful" misconduct for working with an unregistered colleague.

Johannesburg pharmacist and entrepreneur Michael Tellinger — whose registration lapsed when he neglected to pay his fees between May 1992 and March 1993 — claimed he had teamed up with the Guardian Pharmacy Group in December 1992 to offer a home-delivery medicine service.

Mr Tellinger planned to deliver medicines to patients who faxed prescriptions to High School Guardian Pharmacy in Randburg. He told the panel he had not realised that his registration had lapsed when he embarked on the scheme.

In its defence, the Guardian Pharmacy Group denied ever going into business with Mr Tellinger.

Newspaper reports and adverts were the council's chief evidence that the scheme had been launched.

Shortly afterwards, the Pharmacy Council discovered Mr Tellinger was no longer registered as a pharmacist and accused the Guardian Pharmacy Group of misconduct.

The Guardian Pharmacy Group was found not guilty.

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Doctors 'thwart' chemists

CT 10/11/93

96

ANC for holistic approach to health

THABA'NCHU. — Long-term decisions on public and private health care should not be taken until a holistic assessment of the industry was completed in about four months time, ANC health policy development coordinator Dr Tim Wilson said yesterday.

He told delegates at the National Association of Pharmaceutical Wholesalers' conference here that the ANC is opposed to piecemeal adjustments to health care legislation.

This included changes to the Medical Schemes Act and the amendments to the Medicines and Related Substances Act.

He said the ANC was opposed to doctors trading in drugs, as "this was not what they were trained for", as well as to pharmacists taking over the prescribing function from doctors — although there were exceptions.

He added the future government of national unity would draw upon the expertise of all those presently involved in the health care system. — Sapa

Staff Reporter

THE Medical Association of South Africa (Masa) claims it has "thwarted" the campaign to allow pharmacists to render medical care to the public.

To allow them to do so would have been "legally intolerable and a public disservice", it says in the latest issue of its Medical Journal.

This refers to the Pharmacy Amendment Bill — an attempt to broaden the role of pharmacists in the health care system — which would have allowed chemists to diagnose and treat patients.

The bill was published in September for comment.

Masa states in the journal that it has "numerous examples of misdiagnoses and maltreatment by pharmacists that caused permanent damage and in some cases were fatal".

After making representations to the Parliamentary Joint Committee on Health, Masa had succeeded in convincing it to withdraw certain amendments to the bill that failed to delineate the role of pharmacists.

Masa also argued that allowing pharmacists to diagnose and treat people would not alleviate the burden on the state or make health care more accessible, as more than 80% of pharmacists were in the private sector and in 24% of magisterial districts there were no pharmacies.

The acting registrar of the Pharmacy Council, Mr Noel Pretorius, said from Pretoria yesterday he had had no official notification from the Department of Health that they had withdrawn certain amendments.

"As far as we know, the bill is with the minister who will decide whether to promulgate it or not, and in what form," Mr Pretorius said.

No response

He said he was unaware of any maltreatment by pharmacists that had, as Masa claimed, led to deaths. If there had been any cases, they should have gone through the normal channels and been reported to the council.

There has been no response from the Department of Health, which was approached for comment on Monday and yesterday.

When the Minister of Health was approached for comment, a spokesman for her office referred the Cape Times back to the Department of Health, saying they would know more about the matter.

Lman's downfall

Amendment is rejected

96 CT 11/11/93

Staff Reporter

THE chairman of the Parliamentary Joint Committee on Health, Dr Johann Vilonel, has confirmed that the committee has rejected an amendment to the Pharmacy Act which doctors claimed would allow pharmacists to render medical care to the public.

Dr Vilonel said from Johannesburg yesterday that clause 13 (c) of the proposed amendment to Section 29 of the Pharmacy Act had been rejected.

He said more than 30 organisations and groups had made representations to the committee on the the Pharmacy Amendment Bill since it was published for comment in September.

"One of the main issues in the bill was whether or not the amendment extended the duties of the pharmacist or not. There was a difference of opinion. The Pharmacy Council stated in their evidence that the amendment did not extend their duties, but merely confirmed the status quo.

- AFRICA

A 1

Pharmacy bill is withdrawn

CT 18/11/93 (96)

report

A 1

By MELANIE GOSLING

THE controversial Pharmacy Amendment Bill, which would allow pharmacists to diagnose and prescribe drugs in certain circumstances, has been withdrawn by the Minister of National Health, Dr Rina Venter.

A

The bill, which was published for comment in September, drew strong opposition from the medical profession who succeeded in having certain clauses dropped.

A

The Medical Association of SA (Masa) said at the time the proposed amendments to the Pharmacy Act would have been "legally intolerable and a public disservice".

A

The clauses that were dropped dealt with allowing pharmacists to diagnose and prescribe.

The Pharmacy Council said in a statement yesterday they had disagreed with the changes made to the bill, and had therefore asked the minister to withdraw the bill completely.

A

"Due to the fact that none of the proposed amendments to the Pharmacy Act will now become law, the status quo remains," the council said.

The Pharmacy Council also hit out at Masa's comments published in the latest medical journal where the association claimed it knew of "numerous examples of misdiagnoses and maltreatment by pharmacists that caused permanent damage and in some cases were fatal".

"The Pharmacy Council expresses its displeasure at such an unbridled attack on members of the pharmacy profession. Any attempts by Masa to discredit pharmacists without corroborating evidence is dismissed as unfounded and somewhat mischievous," the council said in a statement yesterday.

The Pharmacy Council said Masa's statements ought to be seen in the light of its objectives to protect and promote the medical profession.

"It is regrettable that self-interest is being promoted under the guise of public interest," the council said.

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Sunday Times
1.05.88

A 145 6-million infected by Aids in Africa.
Sunday Times
22.09.91

A 146 Africa gets R4-m in anti-Aids aid.
Weekend Argus
3.09.88

A 147 Aids in Africa - the price of prejudice.
[Uganda & Zambia]
Weekend Argus
14.04.90

Pharmacists demand evidence for Masa's maltreatment claim

BDay 1112193

KATHRYN STRACHAN

THE Pharmaceutical Society of SA (PSSA) has challenged the Medical Association of SA (Masa) to provide evidence for its accusation that misdiagnosis and maltreatment by pharmacists had caused permanent damage and in some cases was fatal.

PSSA spokesman Neville Lyne said the society had asked Masa to provide it with details of the allegations, but Masa had refused to comply and responded that the society was not entitled to the information.

The allegation was made in the November issue of the SA Medical Journal and has been reproduced in several publications. The article, "Keeping the prescribing pharmacist at bay", discusses proposed legislation which would enable pharmacists to provide medical care and prescribe scheduled medicines.

In the article Masa said some of the main criticisms of the proposed amendments to the Pharmacy Act related to the fact that it would have entitled pharmacists to diagnose and treat patients. (Pg 3) 96

Furthermore, vague and unspecific provisions were proposed to broaden the role of the pharmacist. This was totally unacceptable, as it would have created legal uncertainty and criminal offences, the article said.

Masa also argued that allowing pharmacists to render clinical health care would not alleviate the burden on the state and make health care more accessible, as more than 80% of pharmacists were in the private sector and there was no pharmacy in 24% of the magisterial districts.

Lyne said that in the article, Masa claimed it was in possession of "numerous examples of misdiagnoses and maltreatment by pharmacists that caused permanent damage and in some cases was fatal".

PSSA executive director Boet van der Merwe said the allegations were unjustified and without foundation.

"Masa's reported comments about pharmacists' treatment causing permanent damage and death are unacceptable to the PSSA.

"If the information was indeed available, formal complaints should have been lodged with the SA Pharmacy Council, as is customary," he said.

Masa chairman Bernard Mandell responded that the association did not believe it served any cause to discuss the matter "at any level other than the interprofessional level".

He hoped a meeting would take place early in the new year, but the PSSA said there had been no further communication between the two organisations on the issue.

Swedish drug firm in joint venture

ARG 9/12/93 (96)

Business Staff

PHARMACIA has become the first Swedish pharmaceutical company to invest in South Africa.

The group has set up a joint venture with Adcock Ingram — Pharmacia Healthcare — with an estimated turnover of R41 million.

Adcock has distributed Pharmacia's products on an agency basis for the past 25 years.

The venture will run until September, 1999 and employ 47 people, with 26 in the field.

Pharmacia was formed out of a merger of the Swedish-based Kabi Pharmacia and the Italian Farmitalia.

It is currently 53 percent-owned by the Swedish government, but it will be privatised next year.

Row over medical body's claim

CT 2/12/93 96

Staff Reporter

A ROW is brewing between the Pharmaceutical Society of SA (PSSA) and the Medical Association of SA (MASA) over the latter's failure to disclose the basis for its allegations that misdiagnoses and maltreatment by pharmacists had caused patients permanent and even fatal damage.

The allegations in the November 1993 South African Medical Journal were followed by the withdrawal of the Pharmacy Amendment Bill, which would have allowed pharmacists to diagnose and prescribe drugs in certain circumstances.

The Pharmacy Society revealed yesterday that MASA had turned down their request to know the substance of the allegations because the society "was not entitled to the information".

Mr Boet van der Merwe, the Pharmacy Society's executive director, claimed that the allegations were "unjustified and unfounded".

In response to media inquiries MASA Federal Council chairman Dr Bernard Mandell said yesterday: "MASA does not believe it serves any cause to discuss the matter at any level other than the inter-professional level".

He hoped the two bodies would meet soon.