

MEDIA RELEASE

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Time to cut pharmaceutical prices and end Australia's bad drug deal

The Commonwealth Government could save more than \$1.3 billion a year if it changed its approach to purchases of prescription drugs on the Pharmaceutical Benefits Scheme, Grattan Institute Health Program Director Stephen Duckett said today.

Launching a new [Grattan Institute report](#), *Australia's bad drug deal*, Professor Duckett said that in a time of escalating health costs and pressures on the budget, the savings could be made relatively easily if the political will was there.

"To see what can be done we only need to look at New Zealand, which has capped its drug budget, appointed independent experts to make vital decisions, and taken the politics out of price-setting," Professor Duckett said.

Public hospitals in two Australian states pay much lower prices than the PBS. In one case, the prices are just a sixth of PBS prices.

[Read the report](#)