

Consumers' Health Forum of Australia

Ref: S0521

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Dear Ms Arnaud

Medicines Australia Application (A90994-A90996) for Revocation & Substitution

Thank you for your recent letter inviting the Consumers' Health Forum of Australia (CHF) to comment on the application by Medicines Australia for revocation and substitution (A90994-6) of authorisations relating to Edition 14 of their Code of Conduct (the Code).

As you would know from our correspondence with the ACCC in 2003, CHF opposed authorisation of Edition 14 of the Code on the grounds that self-regulation did not afford adequate public protection. We were pleased the ACCC considered consumers' concerns in finalising the authorisation and addressed them through mechanisms such as annual public reporting of the Code of Conduct Committee findings and reports of breaches through the Medicines Australia website.

Many of the key concerns CHF raised in 2003 and raised subsequently with Medicines Australia are addressed in Edition 15 of the Code.

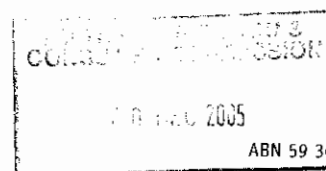
Website information for consumers

Unfortunately, many companies continue to look for novel opportunities for direct-to-consumer advertising, including through website information.

In 2004, CHF made a Code complaint based on concerns from members about television and print advertising that referred to condition-related websites without clear acknowledgement they were run by industry. CHF maintains that members of the public should be informed about where such information comes from to assist with recognising any potential bias or vested interest.

Edition 15 of the Code starts to provide clearer guidance for the content of pharmaceutical company-sponsored websites for the public, which can be built on in future editions. However, the Code could be much stronger on the poor taste of many of the website names that do not reflect well on industry overall.

Edition 15 includes consumer representation on the Code of Conduct Monitoring Committee, which focused on pharmaceutical company-sponsored websites in 2005. CHF welcomes the



appointment of a consumer representative to this committee as a step towards increased consumer protection.

Consumer involvement in Code processes

Edition 15 of the Code provides for Consumer Representatives as permanent members on both the Monitoring Committee and the Appeals Committee. CHF has also reached an understanding with Medicines Australia of the importance of consumers choosing their own representation for the Code committees through a recognised national process. Although most industry players are located in Sydney and Melbourne, health consumers and their representatives come from all around Australia and are now included in the national selection process.

Public accountability for breaches of the Code

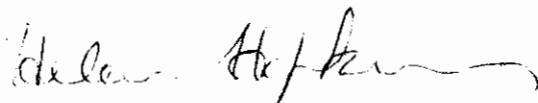
CHF was previously very concerned about the lack of public access to information about the Code processes and decisions of the Code of Conduct committee. We support the public availability of the Code of Conduct Annual Report, and proposal to include quarterly reports on the Medicines Australia website of findings in the previous period.

Authorisation period

CHF is concerned that any ACCC grant authorisation should not extend for five years. Medicines Australia and industry are working more and more closely with health consumers and health consumer organisations. New issues will emerge as this pattern unfolds and consumer organisations should have the right to provide input to Medicines Australia and the ACCC in a timely manner, as issues relating to the Code emerge. For example, CHF has raised with Medicines Australia the emerging issue of pharmaceutical company sponsorship of travel or hospitality for a consumer representative, which is not currently regulated anywhere or by any Code.

From our negotiations with Medicines Australia throughout 2005 to include CHF comments on draft versions, CHF considers Edition 15 of the Code is stronger and more effective in terms of public benefit than Edition 14. While there are improvements to be made in future editions, CHF would not oppose interim authorisation of Edition 15 of the Code as it offers better consumer protection than Edition 14.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Helen Hopkins', with a long, sweeping horizontal line extending to the right.

Helen Hopkins
EXECUTIVE DIRECTOR