

## **MEDIA STATEMENT-FOR IMMEDIATE RELEASE**

**TUESDAY, 19 MAY, 2015**

### **A FUNCTIONAL STATE OWNED PHARMACEUTICAL COMPANY IS THE ANSWER TO THE ONGOING DIRE SHORTAGES OF MEDICINES**

NEHAWU is deeply concerned by the reports of dire shortages of the medicines ,including antibiotics and ARV's ,as reported by yesterday's {18-05-2015} *The Times* newspaper. This is troubling because it's an old problem ,that has been neglected by our government; despite a clear and unambiguous resolution by the ANC ,for a need to establish a state pharmaceutical entity.

The union has been consistently calling for the implementation of this ANC decision, that was adopted at the 2007 ANC Polokwane Conference. The ANC itself reiterated its commitment to this resolution in its Lekgotla in 2011, but nothing has come of it. We know nothing of what became of Ketlaphela, a company that was supposed to be at the heart of our drive to expand domestic production of pharmaceuticals. Ketlaphela was supposed to commence its production in 2016 but that is unlikely to happen as things stand. Currently the production of pharmaceuticals is driven by just narrow economic considerations, something that is unsustainable for a country like ours, with such a high disease burden.

We are calling for an investigation of this recurring problem, and also for those found to be responsible to be held accountable. What seems to be at the centre of these shortages is not, necessarily the availability of medicine in the market, but the problem is planning meaning adequate allocations and on-time on-budget delivery. These continued shortages of medicines undermine the efforts to rehabilitate the health department and the sector in general.

NEHAWU strongly believes that South Africa's health problems will not be resolved; until our government takes seriously the issue of the establishment of a state pharmaceutical company ,accompanied by a comprehensive pharmaceutical sectoral strategy. The current resistance by Treasury to both the NHI and a functional state pharmaceutical entity points to the commodification of our health system and the stubborn defiance of the state as led by Treasury .

Our union is adamant that the nation will benefit from a state-based manufacture of pharmaceutical products, as this would increase the capacity of the state to provide an uninterrupted supply of medicines, at a scale which the National Health Insurance{NHI} would require. This endeavour would also enable the country to adequately respond to the health needs of the population ,as reflected in the extent and nature of our disease burden. In addition to having one of the highest prevalence of HIV/AIDS and TB in the world, South Africa is also facing an increase in non-communicable and lifestyle diseases. If we are to succeed in attaining the Millennium Development Goals; we need to ensure that the accessibility of medication is improved immensely.Our union reiterates its position that the Treasury is at the centre of the problems of poor service delivery in this country. We are still waiting for the release of the white paper by Treasury, on the NHI as demanded by the ANC NEC in its January 8<sup>th</sup> statement earlier this year.

We are also concerned that the persistent lack of cohesion and seamlessness between the ANC and the government is stalling the progress in areas like health. The resistance by the state mandarins and some proponents of neoliberalism, to implement the progressive decisions of the ruling party ,risks reducing the radical second phase into a pipedream. This underscores the imperative of an organised working class that is united; ideologically independent as a class ,that will campaign and defend the progressive resolutions of the ANC like the NHI and a state pharmaceutical company.

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