


THIRTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)

5 OCT 25 1974

SENATE
P. S. R. No. 360

RECEIVED BY 

Introduced by Senator Miriam Defensor Santiago

RESOLUTION
DIRECTING THE SENATE COMMITTEE ON PUBLIC ORDER AND ILLEGAL
DRUGS AND THE SENATE COMMITTEE ON HEALTH AND DEMOGRAPHY TO
CONDUCT AN INQUIRY IN AID OF LEGISLATION ON THE ALLEGED
OVERPRICING OF MEDICINES IN THE COUNTRY

WHEREAS, the Constitution, Article 2, Section 15 mandates that: "The State shall protect and promote the right to health of the people and instill health consciousness among them";

WHEREAS, the Constitution, Article 13, Section 11 provides that: "The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the under-privileged, sick, elderly, disabled, women, and children. The State shall endeavor to provide free medical care to paupers";

WHEREAS, according to Philippine International Trading Corporation (PITC) chairman Roberto Pagdanganan, medicines in the country are more expensive compared with other countries;

WHEREAS, according to Heidi Mendoza, an auditor at the Commission on Audit (COA), medicines can be overpriced by as much as 700 percent;

WHEREAS, this could be due to "cartel system," or the non-competitive structure by which drugs are manufactured, distributed, and sold to consumers in the Philippines, manufacturers are forced to price and sell their products according to the dictates of the cartel system;

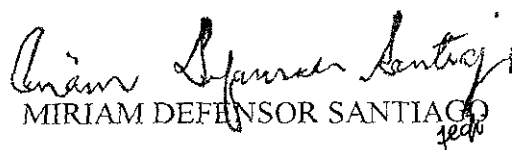
WHEREAS, prices of medicines in the country are higher because of the lower per capita income; given the income of each working Filipino, there is not enough money for essential medicines, especially when the choice needs to be made between health care and the bare necessities of life, like food and shelter;

WHEREAS, the government must exert more effort to intervene, perhaps by providing incentives for local drug companies that are serious about producing generics or cheaper branded preparations;

WHEREAS, both the government and private insurance companies also need to find ways to increase support for essential drugs recognizing the need to introduce real competition into the pharmaceuticals market to bring down prices,

WHEREFORE, be it resolved, as it is hereby resolved by the Philippine Senate, to direct the Senate Committee on Public Order and Illegal Drugs and the Senate Committee on Health and Demography to conduct an inquiry in aid of legislation on the alleged overpricing of medicines in the country.

Approved,


MIRIAM DEFENSOR SANTIAGO

/dpm