

Statement on CETA

The Canadian Health Coalition is deeply concerned about the EU Comprehensive and Economic Trade Agreement (CETA). Numerous studies of CETA have shown that ratifying this agreement will lead to lengthened pharmaceutical patents and delayed market entry of generics causing Canadians to pay an additional \$1.65 billion a year for prescription medication.

Canada is the only country in the world with a universal health care program that does not include medication. We pay the second highest prices for drugs in the OECD. As a result, one in ten Canadians have not filled a prescription due to its cost. Access and payment for medicines differs greatly depending on the province or territory. Ten per cent of Canadians, that is 3.5 million people, have neither a public nor a private drug plan leaving them vulnerable to high prices (White, 2016).

Canada's intellectual property protection from pharmaceutical patents is very industry-friendly. While the federal government has argued in the past that longer patents result in higher research and development (R&D) spending by pharmaceuticals, R&D is actually declining in Canada. The Pharmaceutical Manufacturers Association committed to investing 10% of sales in R&D in Canada but they have not met that mark since 2001 (Bohumír, 2001). In 2014, only 5.0% of profits were spent on R&D (Patented Medicines Review Board, 2014). Longer patents have not resulted in higher R&D spending.

If the Canadian Government were to choose to expand public health care into new areas like pharmaceuticals, then the investor-state dispute settlement (iSDS) mechanism could be used by corporations to demand compensation. According to the Canadian Centre for Policy Alternatives, "threats to use iSDS in treaties like the CETA have exerted a chill effect, successfully dissuading some governments from providing services through the public sector."

Once a public service, like health care, has been privatized it's very difficult to reverse. CETA's "ratchet" mechanism ensures that public services become more liberalized and privatized, not expanded into the public system (CCPA, 2014).

Solutions

The Canadian Health Coalition does not recommend the passing of CETA. CETA will negatively impact the health of Canadians by keeping drug prices inflated, creating challenges for the development of a National Public Drug Plan, and hurt Canada's most vulnerable with delayed market entry for generic drugs. This is not in keeping with Canadian values to expand public health care for all.

Further, we believe all future trade agreements should contain strong language which provides a general carve-out for health care, as was suggested by the Romanow Commission (240- 243). The CHC would like to propose the language be: “Nothing in CETA shall be construed to apply to measures adopted or maintained by a party with respect to health care, health services or health insurance.”

Who we are

The Canadian Health Coalition is a public advocacy organization dedicated to the preservation and improvement of public health care.

Our membership is comprised of national organizations representing nurses, health care workers, seniors, churches, anti-poverty groups, women and trade unions, as well as affiliated coalitions in 9 provinces and 1 territory.

References

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