



For immediate release

Canadians Missing Out on \$750-Million in Annual Rx Drug Savings

Gap between use of lower-cost generics in US and Canada widens to nearly 20%

Toronto, March 26, 2008 – Canadians could save approximately \$750-million on the cost of prescription medicines in the first year alone if the use of generic drugs increased to levels in the United States, the Canadian Generic Pharmaceutical Association (CGPA) said today following the release of 2007 Canadian prescription drug sales information by IMS Health Canada.

The gap in Canadian generic prescribing practices compared to the United States is staggering. Lower-cost generic drugs filled 48 percent of all prescriptions in Canada in 2007, compared to 67 percent in the United States. This 19 percent gap is the largest ever recorded and represents an increase of three percent compared to 2006 levels.

“Canadian governments, employers that sponsor drug plans for their employees, and all Canadians are missing out on important savings that can be realized by increasing their use of lower-cost generic medicines,” said Jim Keon, President of CGPA. “Increasing the use of lower-cost generic medicines is a far better way to save money on prescription drugs than cutting benefits or asking patients, particularly seniors and those on fixed incomes, to pay more for the medicines they need.”

Data from by IMS Health, the world leader in prescription drug sales information, shows that generic drugs were dispensed to fill 48 percent of all prescriptions in Canada in 2007 yet accounted for only 20.7 percent of the \$19-billion spent on prescription medicines. “Generic drugs make an important contribution to the Canadian health-care system, and the IMS Health data confirms that generic drugs provide excellent value for money in Canada,” said Keon.

The sales figures released today from IMS Health also show that sales of generic pharmaceutical products increased by 20.9 percent in 2007.

Keon said increasing the use of lower-cost generic medicines is good for the health-care system and good for Canada’s economy. “Canada’s generic pharmaceutical industry employs more than 10,500 Canadians in highly-skilled jobs. And unlike brand-name drugs, the vast majority of generic drugs sold in Canada are manufactured right here.”

About the Canadian Generic Pharmaceutical Association

The Canadian Generic Pharmaceutical Association (CGPA) represents Canada’s generic drug industry – a dynamic group of companies that specialize in the production of high quality, affordable generic drugs and fine chemicals and in conducting the clinical trials required for government approval of generic drugs. The industry plays an important role in controlling health-care costs in Canada. Generic drugs are dispensed to fill 48 per cent of all prescriptions but account for only 20.7 per cent of the \$19-billion Canadians spend annually on prescription medicines.

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