



For immediate release

Matching US Generic Drug Use Would Save Canada \$1.6-Billion

Canada continues to lag behind United States in use of lower-cost generic medicines

Toronto, April 6, 2010 – If the use of lower-cost generic medicines in Canada increased to levels in the United States, Canadians would save an additional \$1.6-billion in prescription drug costs in the first year alone.

According to prescription drug sales data released April 1, 2010 by IMS Health Canada, the world leader in prescription drug sales information, generic drugs were dispensed to fill 54 percent of all prescriptions in Canada in 2009. In the United States, IMS Health reports that generic drugs are dispensed to fill fully 75 percent of all prescriptions.

“This sales data demonstrates that generic prescription medicines continue to play a key role in helping to control prescription drug costs in Canada.” said Jim Keon, President of the Canadian Generic Pharmaceutical Association (CGPA). “What is also clear is that governments, employers and patients could save significantly more if generic utilization rates in Canada reached levels achieved in the United States.”

Quick facts about generics prescription medicines in Canada

- In 2009, the use of generic prescription drugs saved Canada’s health-care system more than \$4-billion
- The average price of a brand-name prescription in Canada is \$64.19 while the average price of a generic prescription is \$26.07
- Approved by Health Canada, generic drugs are as safe and effective as their brand-name counterparts. Generic drugs are identical or “bioequivalent” to a brand-name drug in safety, strength, route of administration, quality, performance characteristics and intended use.
- Unlike the majority of brand-name drugs, which are shipped into Canada, the majority of generic drugs sold in Canada are made right here, helping to support jobs, R&D spending and manufacturing facilities in Canada.

“Along with providing significant savings for governments, businesses, unions and patients, a dollar spent on a generic drug results in more jobs, more R&D spending and supports more manufacturing in Canada than a dollar spent on a brand-name drug,” Keon said.

The value of generic drugs to Canadian patients, governments and employers continues to increase due to the widening gap between prices for generic and brand-name prescriptions. In recent years, retail or reimbursed prices for generic prescription medicines have declined in Canada in conjunction with ongoing efforts to develop alternative funding models to support the services community pharmacies provide to their patients.

About the Canadian Generic Pharmaceutical Association

The Canadian Generic Pharmaceutical Association (CGPA) represents Canada’s generic pharmaceutical industry. The industry plays an important role in controlling health-care costs in Canada. Generic drugs are dispensed to fill 54 per cent of all prescriptions but account for only 24 per cent of the \$23-billion Canadians spend annually on prescription medicines.

-30-

For more information, please contact:

Jeff Connell
 Director of Public Affairs
 Canadian Generic Pharmaceutical Association (CGPA)
 Tel: (416) 223-2333
 Email: jeff@canadiangenerics.ca
 Website: www.canadiangenerics.ca