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## Statement from the Canadian Generic Pharmaceutical Association (CGPA) Regarding Ontario Legal Action

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**Toronto, April 27, 2009 – The following is a statement by Jim Keon, President of the Canadian Generic Pharmaceutical Association (CGPA), regarding today’s announcement by the Government of Ontario that it is taking legal action against a number of pharmacies, generic drug manufacturers and wholesalers.**

“The Canadian Generic Pharmaceutical Association (CGPA) fully endorses efforts by the Government of Ontario to eliminate any drug purchasing schemes that result in generic pharmaceutical manufacturers being overcharged for professional allowances.

It is not in the interest of consumers, taxpayers or Canada’s generic pharmaceutical industry for payments of professional allowances to be inflated. It is also not in the interest of any generic manufacturer for orders they receive to be inaccurate.

Generic pharmaceutical manufacturers are not complicit in any alleged product recycling schemes, do not endorse such schemes, and are harmed by such schemes. In fact, generic pharmaceutical manufacturers have raised concerns with government regulators regarding the potential for such schemes to exist under the current system.

Patient safety is the top priority for Canada’s generic pharmaceutical industry. The concerns raised today by the Government of Ontario describe activities alleged to occur in the later stages of the supply and distribution chain and relate to commercial practices.

Generic pharmaceutical manufacturers ensure that the development, manufacture and shipment of their products occurs in a safe and secure manner that is in compliance with all federal and provincial laws and regulations. CGPA is unaware of any specific safety concerns that have arisen in regard to generic pharmaceutical products.

CGPA will await the results of the Government’s investigations and audits. The Government of Ontario has indicated that it will undertake a review of the current system of professional allowances and pharmacy compensation and CGPA looks forward to participating.

Concerns have also been expressed about the potential impact of these alleged activities on the price of generic pharmaceutical products. According to data from IMS Health, the leading source for prescription drug sales information, in 2008 generic drugs were dispensed to fill 54 percent of all prescriptions in Ontario yet accounted for only 24 percent of the \$7.96 billion Ontarians spent on prescription medicines.”

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