

Are Canadians paying too much for generic drugs?

Manufacturers of generic drugs say a federal study showing that Canada has higher generic drug prices than 8 other countries is flawed.

The study, conducted by the Patented Medicine Prices Review Board (PMPRB) for the federal/territorial ministers of health, states that Canadians pay between 21% and 51% more for 100 top-selling generic drugs than consumers in 8 other countries.

The findings could hold implications for both drug companies and the country. Prices of generic drugs are not regulated nationally in Canada, although some drug-benefit plans set limits. (In Ontario, the cost of a generic drug cannot exceed 70% to 90% of the price of the equivalent brand-name product.) Western European countries employ direct price controls, while New Zealand issues tenders that can drive prices down.

The Canadian Generic Pharmaceutical Association (CGPA) responds that the price of generic drugs in Canada is lower than in the US and similar to prices in

comparable countries such as the United Kingdom and Germany. It has sent a series of questions about the report, *A study of the prices of the top selling multiple source medicines in Canada*, to the PMPRB.

"I think the data [are] slanted," says President Jim Keon. "They didn't push to get the real US prices." A CGPA study using data from IMS Health found that 28 top-selling drugs cost 28% less in Canada in 2002 than in the US.

But even if the US is excluded, the PMPRB study still found that Canadian prices are 49% higher than the international median.

Overall, the report determined that generic drugs available from more than 1 manufacturer are 24% cheaper in Germany, 26% in the UK and 32% in Australia. Of the 9 countries surveyed, only Switzerland's prices were higher.

Dr. Ron Corvari, director of policy and economic analysis for the PMPRB, refused to speculate why prices are higher in Canada. He said more research is needed to determine whether market size, a smaller number of generic-drug

competitors or provincial/federal policies are part of the problem.

Generic drugs accounted for an estimated 40% of Canadian prescriptions filled in 2000, and for about 11% of total pharmaceutical sales. In the US, they account for about 20% of sales. — *Barbara Sibbald, CMAJ*

Obesity epidemic hits New Zealand

"A rapidly growing obesity epidemic" now affects about one-third of children in New Zealand and has the government grappling with a national strategy to cope with the problem, the country's director of public health reports. "We need a society-wide response to this," says Dr. Colin Tukiotonga.

The Fight the Obesity Epidemic (FOE) group would like to see items such as soft drinks, potato chips and pies removed from school "tuck shops," and it wants a ban forbidding stores from selling fast food within a kilometre of schools. The group's spokesperson, endocrinologist Robyn Toomath, says members would also like to see New Zealand follow the lead of Sweden and Norway in limiting prime-time TV advertising directed at young children.

Jim Collier, CEO of Restaurant Brands NZ Ltd., agrees that obesity must be addressed, but maintains that "global research indicates that the primary driver of obesity is reduced activity, not increased calorie consumption."

Tukiotonga says obesity is becoming common because New Zealand is "shifting very much to a North American takeout diet culture."

Toomath says there have been "huge changes in the mode of eating" across all socioeconomic groups in the country. Public concern is so great that the government recently received more than 400 submissions on the topic. It hopes to enact legislation within a year. Collier insists his industry is open to change. "Consumer attitudes are clearly changing, and we're in the business of adapting to them."

— *Heather Kent, Vancouver*

Gulf War syndrome ruling upheld in UK

The London High Court has upheld a ruling that a former soldier, Shaun Rusling, is entitled to a pension because he has a syndrome linked to service in the 1991 Gulf War. Rusling's original appeal was turned down in 1994. That ruling was subsequently overturned by the War Pensions Tribunal, but the Ministry of Defence then lodged its own appeal. The ruling is considered significant because it challenges the ministry's contention that "the overwhelming consensus of medical and scientific opinion is that the symptoms reported by some Gulf veterans do not constitute a discrete medical disorder or syndrome." Symptoms reported by veterans have included chronic fatigue, musculoskeletal problems and mood disorders.

Rusling was delighted with the June ruling, which he felt vindicated all veterans with the syndrome. Although his lawyer said the victory may make it easier for other veterans to pursue pension claims, the court said the ruling did not imply official recognition of the generic concept of Gulf War syndrome, and it emphasized that subsequent cases would have to be considered on their individual merits.

Canadian veterans of the conflict have faced similar problems. In a 1999 report, the Department of National Defence said there had been "a number of cases of people dealing with serious illnesses since the Gulf War period who felt abandoned while facing the complex world of disability pensions." The report said pensions were eventually granted thanks to lobbying from veterans' groups such as the Royal Canadian Legion. — *Cathel Kerr, Fife, Scotland*



Canapress

Gulf War has had a lingering legacy