

# The new NAFTA is hazardous to our health

*On November 30, 2018, Canada, the United States and Mexico signed a new trilateral trade agreement for North America called the Canada-United States-Mexico Agreement (CUSMA). This deal – if ratified by all three countries – will replace the North American Free Trade Agreement (NAFTA). The “new NAFTA” needs to be fixed in several key areas. The Council of Canadians is calling on the Trudeau government to hold on ratifying the deal until these changes are made.*

The new NAFTA gives U.S. Big Pharma new protections that could increase the cost of prescription drugs. The deal gives biologics, a new class of drugs made out of human or animal tissue, 10 years of data exclusivity. Currently, in Canada, we only give 8 years of data exclusivity.

The U.S. demanded this change when it was involved in negotiations for the Trans-Pacific Partnership (TPP). When the U.S. pulled out of the TPP, the remaining countries removed data protection for biologics and renamed the agreement the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

Biologics include drugs such as insulin, and drugs that treat cancer, rheumatoid arthritis, Crohn’s disease and ulcerative colitis. Some popular brands of biologics are Humira, for Crohn’s disease or Remicade, a rheumatoid arthritis drug.

While many drugs are becoming more affordable this isn’t true for biologics. This class of drugs is increasing the quickest in cost. According to the CBC, biologics are among the most expensive. “Seven of the top 10 medicines contributing to patented drug sales in Canada were biologics, according to the Patented Medicine Prices Review Board (PMPRB), with annual treatment costs ranging from \$2,948 to \$57,928.”

According to the Parliamentary Budget Officer, the costs of these data protection extensions could rise as high as \$169 million more per year in the first year alone after they come into effect.

In 2016, Canadians spent \$30 billion to fill more than 600 million prescriptions. Canadians already pay the second highest costs of OECD countries for prescription drugs.

Studies have found that many people can’t afford the medications they are prescribed. In a House of Commons health committee meeting, the Assistant Deputy Health Minister admitted that, “High prescription drug costs will rise under pending free trade agreements.”

And while a national pharmacare program is necessary to bring drug prices down, the extensions in data exclusivity for biologics will make a pharmacare program more expensive to run.

In the U.S., House Democrats have signed an open letter urging the U.S. to renegotiate NAFTA and remove protections for Big U.S. Pharma. Mexico’s ambassador to the U.S. has already admitted that Mexico gave concessions when it agreed to increase biologic data extensions from five to ten years in NAFTA. Consumers and patients in all three countries will pay the price, while profits for pharmaceutical companies soar.

This is the worst form of protectionism as it allows pharmaceutical companies to run monopolies and keep competitors out to the detriment of our health.

Council of Canadians supporters have called on Foreign Affairs Minister Chrystia Freeland to not stand in the way of U.S. progressive efforts to remove these market protections for Big Pharma from the new NAFTA. The Council of Canadians opposes ratification of a new NAFTA that includes more market protections for Big Pharma corporations and will leave those who are sick to pay the price.

**Read more and take action at [canadians.org/nafta](https://canadians.org/nafta) or call us toll-free at 1-800-387-7177.**