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For fourth time, Ottawa delays new drug-pricing regulation

Rules aimed at cutting the cost of patented medicines were initially set to take effect in July, 2020

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Ottawa - The federal government has again postponed the implementation of new drug-pricing rules that the Liberals have previously said would protect Canadians from excessive costs and make patented drugs affordable.

On Thursday, Health Minister Jean-Yves Duclos announced the fourth delay to the implementation of the regulations. They were finalized in August, 2019, and set to take effect on July 1, 2020. Instead, the government now says they will take effect on July 1, 2022.

The New Democratic Party decried the news, calling it a cynical move just two days before Christmas and as the country grapples with a surging fifth wave of the COVID-19 pandemic and record case counts.

In a statement, Mr. Duclos cited the pandemic for the delayed implementation and he also said it gave the government more time to consult on the regulations - opening the door to possible changes.

"The government remains firmly committed to improving the access to and affordability of quality medicines for Canadians," Mr. Duclos said.

"A delay also allows the government to

further engage stakeholders on the application of these amendments within the changing pharmaceutical landscape."

Pharmaceutical costs are soaring due to innovative but pricey new drugs

The changes to the Patented Medicines Prices Review Board seek to lower the price of drugs by allowing the regulator to adjust which countries it uses to set a benchmark on prices and to take into account the drug's cost-effectiveness for patients. When the changes were first announced, the government said Canadians pay among the highest drug prices in the world, after only the U.S. and Switzerland.

The lobby group representing pharmaceutical giants has strongly opposed the changes, but on Thursday Innovative Medicines Canada did not issue a statement about the delay. When the most recent delay was announced in June, the group, which represents many COVID-19 vaccine manufacturers, said the new rules would have a "significant negative impact." Its member companies include AstraZeneca, Pfizer, Medicago, Sanofi, GSK and Janssen (part of Johnson & Johnson).

In a statement, NDP MP and health critic Don Davies called the delay

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"supremely cynical."

"Drug prices have risen every year the Liberals have been in office despite their promises to reduce them," he said. "Over and over again, they prove they're more interested in protecting the profits of big pharmaceutical companies than supporting Canadian families."

In the 2019 election, the Liberals also promised to implement a national universal pharmacare program. That promise was dropped from the party's 2021 election platform.

The Conservatives did not provide a comment on the delay but have previously spoken out against the changes, as has the Ontario government.

When the regulations were first published in August, 2019, Health Canada said the changes would result in more than \$8-billion in lost profit for the pharmaceutical industry over 10 years. At the time, an industry-funded report pegged the cost to companies at \$26.1-billion.

Amir Attaran, a professor of law and public health at the University of Ottawa, said the civil service has already worked for years to "strike a balance between Canadian patients and Big Pharma."

"Slipping this fourth postponement out just before Christmas shows whose side the Liberals are on," he said. "The data are clear that Canada spends more on drugs but receives less investment from the industry than other countries."

At the time of the third delay in June, Health Canada said it wasn't "anticipated" that more delays would be needed.

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