

Thursday 9 November, 2017

Turnbull Government resurrection of the Trans Pacific Partnership would increase cost of medicine for Australians

Statement from ACTU President Ged Kearney:

The Turnbull Government is pushing for the resurrection of the Trans Pacific Partnership - a move which a new report shows would massively increase the cost of prescription medication in Australia.

The proposed deal, which has been abandoned by its original architects in the US, would extend patents, meaning the Big Pharma monopoly on drug production would jump from 5 to 8 years, costing the Pharmaceutical Benefits Scheme (PBS) hundreds of millions of dollars.

A study by La Trobe University found that biologic medicines – which are currently given additional patent protection - cost the PBS \$2.2 billion a year, and could be cut by \$560 million if current protections were scrapped.

Big pharma is already the most profitable industry in the world, with Pfizer alone making US\$22 billion profit in a single year.

The new PM of New Zealand is calling for reform of the agreement, including removal of a clause which allows multinational companies to sue our government. But our Government is happy to allow foreign companies to sue us for implementing legislation which supports the good of all Australians.

French company Veolia is suing the Egyptian government for increasing the minimum wage, and a US pharmaceutical company is suing the Canadian government over a court decision which refused a patent on a drug which was no more effective than existing medicines.

The deal also opens up the Australian labour market to unlimited numbers of temporary workers from Canada, Mexico, Chile, Japan, Malaysia and Vietnam as contractual service providers in a wide range of jobs including nurses, engineers, electricians, plumbers, carpenters, bricklayers, tilers, mechanics and chefs.

Academics estimate the TPP would directly result in 39,000 job losses in Australia.

The TPP has no tangible benefits to Australian citizens, with the World Bank predicting that Australian GDP would rise by less than 0.005% per year. The ACTU is strongly in favour of democratically reviewed trade deals to ensure that they promote good jobs, help consumers and protect our sick and vulnerable.

The TPP fails on every test.

ENDS

Media contact: ACTU Media 03 9664 7315 or Peter Green: 0400 764 200
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