

3rd August 2003

Media alert

Attention: Radio and TV producers

Drug Prices Could Double After Trade Agreement

The Australia Institute has released a new report titled *Comparing Drug Prices in Australia and the USA: The implications of the US-Australia Free Trade Agreement*.

The report features prominently in *The Sunday Telegraph* today.

The report compares wholesale prices in Australia and the USA for ten of the most prescribed drugs, and shows that prices are at least 79 per cent to 306 per cent higher in the USA.

If US pharmaceutical companies get their way in current negotiations over the US-Australia Free Trade Agreement, and succeed in eliminating or undermining the reference pricing system of the Pharmaceutical Benefits Scheme, then Australia could expect to see drug price rises of this order.

The report can be found under What's New on the Institute's website
www.tai.org.au.

For comment, please contact Dr Clive Hamilton, Executive Director of The Australia Institute on

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The Australia Institute is a public-interest think tank based in Canberra.

www.tai.org.au