

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N :

CANWEST MEDIAWORKS INC.

Applicant

- and -

ATTORNEY GENERAL OF CANADA

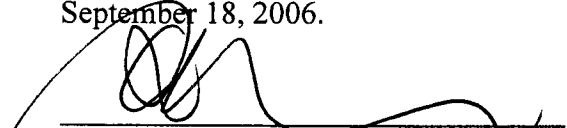
Respondent

AFFIDAVIT OF CATHY REMUS (sworn September 18, 2006)

I, Cathy Remus, of the City of Ottawa, in the Province of Ontario, AFFIRM THAT:

1. I am a senior health care research officer with the Canadian Union of Public Employees (CUPE), and as such, have knowledge of the facts herein deposed to.
2. In addition to working to improve the terms and conditions of employment of our members through collective bargaining, CUPE advocates for progressive legal and policy reforms that will benefit all in society, such as strengthening Canada's publicly funded health care system.
3. I have reviewed the affidavit sworn by Mr. Brian Payne in this matter and confirm that CUPE shares the views and concerns that he has expressed.
4. CUPE has carried out significant research and analysis, and has engaged in various advocacy work concerning direct-to-consumer advertising of pharmaceutical products. As an example of this work, and of the Union's position, I have attached as Exhibit "A" to this affidavit, a bulletin titled "Bargaining Benefits: Why are Drug Costs Escalating", that is posted to our web site.
5. I make this affidavit in support of our application for intervener status in the matter of CANWEST MEDIAWORKS v. Canada and for no other improper purpose.

AFFIRMED BEFORE ME at the City
of Ottawa, in the Province of Ontario on
September 18, 2006.



Commissioner for Taking Affidavits

Cathy Remus

SWORN OR AFFIRMED

over existing drugs. The rest are “me-too” drugs that offer no improvement, but are responsible for 80 percent of the increased expenditure on drugs. (Source: *Stephen Morgan et al, “Breakthrough drugs and growth in expenditure on prescription drugs in Canada”, British Medical Journal, 2 September 2005.*)

- Aggressive Marketing – Drug companies promote their drugs through aggressive marketing to doctors and consumers. You’ve seen the ads on TV. ... “Ask your doctor if this drug is right for you!” Drug companies spend, on average \$20,000 per year – that’s more than the annual salary of an average hospital worker – for every doctor in the country on things like samples, trips, conferences, and giveaways. (Source: *Arthur Schafer, “Medicine, Morals or Money: Dancing with porcupines and sleeping beside elephants”, Centre for Professional and Applied Ethics, University of Manitoba, 2002.*)
- Drug patent legislation – Drug companies push the legislation to the limits by applying for patent extensions. Now by applying for a court injunction, the current twenty-year patent protection can be extended by at least two years and probably more, depending on the length of the litigation. This dubious practice serves little other purpose than to protect drug company profits and market share.

3. Usage Issues

Increased usage can be attributed to:

- According to the Canadian Medical Association, aggressive marketing by drug companies drives consumption of expensive “me-too drugs”. (Source: *Mintzes B., Barer M. L., Kravitz R. L., Bassett K., Lexchin J., Kazanjian A., Evans R. G., Pan R., & Marion, S.A. (2003). How does direct-to-consumer advertising (DTCA) affect prescribing? A survey in primary care environments with and without legal DTCA. Canadian Medical Association Journal 169(5): 405-412.*)
- Many critics try to blame increased usage for increases in drug plan costs. However, Green Shield Prepaid Services Inc. studied drug claim costs over the five-year period 1987-1993. The study found that the cost per claim for all prescriptions increased by 93% compared to an increase in the Consumer Price Index (CPI) of 23.1% (Source: *Analysis of Drug Claim Costs 1987-1993, Green Shield Canada.*)

The increase was broken down as follows:

- New drugs 54.6%
- Increase costs for existing drugs 33.9%
- Increasing use of existing drugs 15.1%.
- There is a trend towards using drugs rather than other treatments such as surgery. As well, drugs have been developed to treat new diseases that have emerged. (Source: *‘Viewpoint’ a publication of Canadian Drug Manufacturers Association, Winter 2000.*)

- Patients demanding drugs they see on TV, and drug companies offering incentives to prescribe their products promote over-prescribing by physicians facing ever increasing patient loads.
- Older workers account for the largest group of public sector workers (fewer younger workers are being employed due to hiring freezes and other restrictive hiring practices), and tend to use more benefits and must stay in the workforce longer, because early retirement options are also under attack.

Drug costs are the primary source of cost increases in workers' benefit plans. Employers are demanding savings, and CUPE locals are fighting back at the bargaining table to protect workers' benefits. In the meantime, at the national level, CUPE is promoting, along with the Canadian Health Coalition, a National Pharmacare program that will improve access,

cost savings, improve drug safety and promote economic productivity for all Canadians.

While the Canada Health Act guarantees access to doctors and hospitals, Canadians do not have equal access to drug medications. Work based plans, usually negotiated by unions, cover 58 percent of workers and their families. Almost one million Canadians (three percent) are uninsured, and have to pay sometimes more than 4.5 percent of their gross family income for drugs. (Source: *Applied Management in association with Fraser Group and Tristat Resources, "Canadians' Access to Insurance for Prescription Medicines", Volume 2, submitted to Health Canada, March 2000.*)

Consultations are underway headed by a federal Ministerial Task Force to develop and implement a national pharmaceuticals strategy and report on progress by June 30, 2006. The Canadian Health Coalition is encouraging the Task Force to include the following principles in a national Pharmacare plan:

Canadian Health Coalition: 10 Elements of a National Strategy for Pharmacare

1. Universal public drug insurance
2. National formulary for essential drugs
3. Drug regulation that puts safety and efficacy first
4. Reform of the Patent Medicine Prices Review Board
5. Accountable and transparent decision-making
6. Patent reform
7. Regulation of drug promotion and marketing
8. National prescribing service
9. Establish a public drug information system
10. Regulation for ethical conduct in clinical trials and research

(Source: "More for Less: A National Pharmacare Policy", Appendix "B"
Canadian Health Coalition, November 2005.)

For more information on the Pharmacare fight, check out cupe.ca