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## **SANDERS ORGANIZES TRIP TO CANADA TO HELP SENIORS BUY PRESCRIPTION DRUGS**

*New study shows pharmaceutical industry cashing in on tax loopholes while fleecing American seniors*

BURLINGTON, VT - Congressman Bernard Sanders (I-VT) today announced plans for a January 26th bus trip from Burlington to Montreal to help seniors purchase prescription drugs at lower prices. Currently, U.S. law prohibits American pharmacists, wholesalers and distributors from purchasing prescription drugs in other countries such as Canada, where pharmaceutical prices are much more affordable. Sanders, who led a similar trip in July 1999, said he hopes the trip will highlight the need for Congress to act on the bipartisan International Prescription Drug Parity Act that he co-authored. Sanders' bill would permit the importation of pharmaceuticals from Canada and other countries by pharmacists, wholesalers and distributors provided that strict FDA standards are met. The bill, which has also been introduced in the Senate, is co-sponsored by 53 Members of Congress and is supported by the National Community Pharmacists Association.

Sanders said, "There is no rational reason why the same exact drug, often manufactured by an American company in the United States, should be sold in Canada and other countries for a fraction of the price that it is sold here. Last year alone, while Americans paid the highest drug prices in the world, the 10 largest pharmaceutical companies in the U.S. reaped a 26% increase in their profits - an average of \$2.5 billion each. At the same time, the pharmaceutical industry spent more than any other industry on lobbying and campaign contributions in order to protect their ability to fleece American consumers. We have now reached a crisis situation where seniors and the chronically ill can no longer afford their medications. Congress must act immediately to take on the pharmaceutical industry and protect the American consumer.

According to a new Congressional Research Service study, the pharmaceutical industry pays the lowest effective federal tax rate of any industrial sector in the U.S. In 1996, for example, the industry was able to use various loopholes to avoid paying more than \$3.8 billion. In addition to tax breaks, drug companies receive many other benefits at taxpayer expense including publicly funded research and development. At the same time, Americans continue to pay the highest prices in the world for prescription drugs. According to a GAO study requested by Sanders, the average drug that sells for \$1 in the United States would sell for 71 cents in Germany, 68 cents in Sweden, 64 cents in Canada and 51 cents in Italy. For Vermont, the study showed that seniors pay on average 81 percent more than Canadians for the 10 most widely used prescription drugs.

Sanders continued, "It is an absolute outrage that the taxpayers subsidize the pharmaceutical industry with egregious tax loopholes while the industry fleeces our seniors. My hope is that trips like this will show Congress that it is time to stop listening to the millions of dollars the pharmaceutical industry spends on campaign contributions and start listening to the millions of seniors who desperately need prescription drug relief. Though I am delighted that this trip

will enable some Vermonters to obtain their medications at a fair price, this is clearly not the long-term answer to the prescription drug affordability crisis. Our citizens should not have to go to another country to purchase affordable prescription drugs. They should be able to purchase their prescription drugs locally, at a fair price, under the supervision of their own pharmacists.”

The trip from Burlington, Vermont to Montreal, Canada is being organized by Sanders in conjunction with the American Association of Retired People (AARP), the Champlain Valley Agency on Aging and the Champlain Senior Center.