

## THE WEEKLY REPORT

Envisioning the future of healthcare



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## Will Canada Face A Drug Shortage Due to the China / USA Trade War?'

## Unfortunately the short answer is a definite 'Yes!'

Last Tuesday at a Republican fundraising dinner, Trump said, "We are going to be announcing very shortly a major tariff on pharmaceuticals." On the back of that announcement China has retaliated, this time apparently simply withholding critical drug supplies which they are now delaying in bureaucratic red tape and extra 'regulations.'

As a result Canada will no doubt be facing a drug shortage and will very likely see a huge spike in drug retail prices kicking in almost immediately, especially on any drugs coming in via the United States due to the tariff war

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between Trump and Xi that just continues to escalate, all in the wrong direction.

The latest move in this high stakes brinkmanship is that over the last few days China has started to essentially "hold America's drug supply hostage." Having monopolized the drug manufacturing market almost completely over the last twenty years they are extremely well positioned to leverage this as an extremely painful bargaining chip against the Trump administration. And it has been a long time coming when you consider that the last US plant manufacturing the penicillin antibiotic closed in 2004, which was more than twenty years ago now.

According to a post published by Dr. Peter McCullough on his Focal Points substack, "The Trump administration may face a problem because the US FDA and Department of Commerce allowed China to undercut generic drug prices and allow the exit of pharmaceutical manufacturing to China.

We should be prepared for drug shortages which will be reflected as increased prices. Because the GPO's operate on margin, expect certain drugs for hospitalized patients will be "out of stock" and more expensive ones will be offered."

This anticipated spike in drug prices (especially the more cost effective 'generic' drugs which have historically been more affordable) will be extreme and will no doubt cause significant pain and hardship for people as they have to either find options or simply go without.

However in the longer term, it will force a rapid re-establishment of drug production in the United States, which is ultimately Trump's bigger picture goal. He has been campaigning against the outsourcing of everything including critical 'national security' manufacturing to China ever since the 1980's. Since then he has also been raising the alarm that China can not be trusted and is open about their aspirations to eventually wrestle world economic dominance away from the Americans.

Way back in 2019 Fox News reported that, "Experts are warning America has become too dependent on China for its medicine – everything from painkillers, to antibiotics, and even aspirin can all be sourced back to a country the Department of Defense considers an adversary. The Food and Drug Administration estimates that at least 80 percent of the active

ingredients found in all of America's medicines come from abroad – primarily China.

"Imagine if China turned off that spigot," said Rosemary Gibson, author of "China RX: The Risks of America's Dependence on China for Medicine." "China's aim is to become the global pharmacy to the world – it says that. It wants to disrupt, to dominate, and displace American and other Western companies."

In 2015, China unveiled "Made in China 2025," a national plan to make it the world's leader in 10 high-tech manufacturing sectors, including bio-medicine, by 2025. The new national security warning comes as China is threatening to weaponize its dominance in mining rare earth minerals against the United States, in an escalation of the ongoing trade war."

And this was reported a full six years ago, at a time when no-one was paying any real attention to this clear vulnerability! We are now in 2025, the year China said it would dominate global high-tech manufacturing including biomedicine, so we can't be surprised that with the rising tariff tension they are "turning off that spigot."

While many people in Canada and the United States are bracing for this next financial hit, there are some independent media outlets who can see the longer term benefit of bringing manufacturing back to continental North America. Plus, they are also seeing the, perhaps unintended, benefit of getting people to stop taking as many drugs as they have in the past, which in many cases have a very negative compounding effect on our overall health and wellbeing.

In a news story on America's VoiceLive on Tuesday the news anchor said, "Thank God we have someone FINALLY trying to correct the problem [of over-dependence on hostile foreign countries] in this administration with regards to the lesson about depending on other countries for our most important products. The truth is that America could actually make drugs in the US, like aspirin. Yet we can't make aspirin?! But, as I always say, nothing is all bad and nothing's all good. When you read stories of elderly (and other younger people as well of late) on 25 different drugs a day and wondering why they feel terrible - until a smart doctor takes them off of all but one or two and they suddenly feel good again, so maybe a drug shortage is a good thing. Passing drugs out like candy at Halloween isn't good for anyone."

At Canada Health Alliance we definitely agree that people in North America are generally 'over-dosed' with pharmaceutical drugs which can lead to unanticipated reactions that trigger conditions which lead to yet more drugs being prescribed. It is a vicious circle which benefits Big Pharma at every turn, yet leaves people in a drug-induced stupor which destroys their productivity, dulls their personality and suppresses their vibrancy and happiness.

The obvious way of getting around these rising costs is to use locally produced Canadian natural health products (NHP's) which generally have far less negative side-effects (if any!) and, by the fact that they are produced in Canada (by Canadians for Canadians), they do not have any tariffs applied to them. Yet Health Canada is doing everything it can to drive up those costs as well.

According to the NHPPA (the Natural Health Products Protection Association), "Health Canada's Self-Care Framework threatens to make essential wellness options and natural health products unaffordable, especially for seniors, families, and lower-income Canadians who depend on them most. By imposing massive fees and costly compliance demands on manufacturers, the government is driving up consumer prices and turning trusted natural health products into a luxury few can afford."

This is a completely unnecessary 'double whammy' at a time of extreme economic volatility when people are reeling from soaring prices impacting everything that will push another great swathe of our struggling middle class into poverty. And our current government is actively making the problem even worse. It is these types of things that need to be taken into account when we go to the ballot box in just nine days time. Meanwhile to find out more about how you can help stop this assault on our local natural health product manufacturing industry visit <a href="https://nhppa.org/">https://nhppa.org/</a>.

Sources for this article include:

https://www.thefocalpoints.com/p/china-holdingamericas-drug-supply

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