Generic drug shortage behind grant: Tory candidate

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Stouffville for this announcement.

"What does that tell you? I don't know," he said. "They have no plan, no economic policy for hard-working Ontarians ... other than going around riding to riding cutting cheques."

Friday's event was billed as a "job creation announcement ...", but the generic pharmaceutical company actually received the grant in May 2010.

Because the announcement was made while Premier Dalton McGuinty and Teva brass were in Israel, the government and the company decided to re-announce it with much more fanfare and during the company's employee appreciation luncheon, said Liberal MPP for Oak Ridges-Markham Helena Jaczek.

The grant has enabled Teva to retain its 182 skilled workers and hire 20 new employees.

The company is also investing \$56 million into an 8,000-squarefoot expansion of its Main Street, Stouffville plant.

The addition will enable the plant to produce approximately one billion tablets a year, which is about 20 per cent more than it does now.

The expansion is expected to be completed in about four months.

Mr. Wassef, who did not attend the announcement, was happy to learn Teva will remain in Stouffville and increase its capacity.

"On the surface it's good. But what are the details and what is the net effect of spending our tax dollars on this?" he asked. "What we do know is that the Liberal government's legislation last year that led to health care reform led to massive drug short-

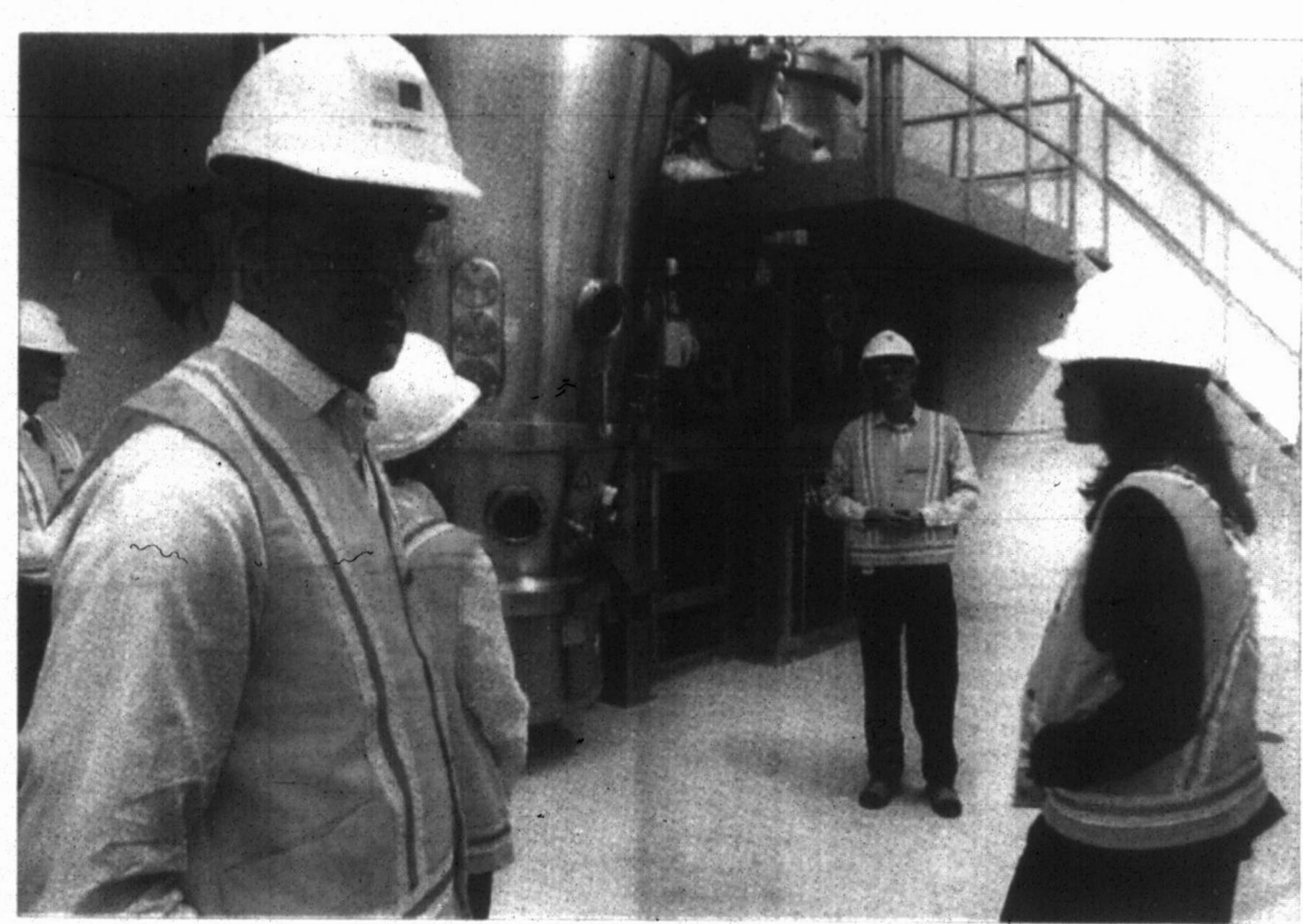
Last year, the Liberal government instituted a drug reform policy that eliminated professional allowances, therefore, lowered the cost of generic drugs by 50 per cent.

The professional allowances helped pay for free services such as blister packaging, phone refill requests to doctors, delivery and medication information and consultation.

Mr. Wassef said he suspects Teva received the grant because generic pharmaceutical companies could not meet product demands based on the government's legislation, so as a way to help them do so, it gave them money.

Teva's goal, according to the company, is to turn pharmaceutical raw materials into products on the shelves of pharmacists within three to four weeks.

"The greatest beneficiary is going to be the patient," according to Teva.



STAFF PHOTO/SJOERD WITTEVEEN

Sandra Pupatello, Ontario Minister of Economic Development and Trade (right), watches a presentation by David Blair, Teva manager of building and critical systems, (centre) on the granulation and fluid bed dryer in the background at the company's Stouffville plant yesterday. Looking on at left are Steven Liberty, Teva VP operations and supply, and Barry Fishman (left foreground), the company's CEO and president. The tour was organized to publicize a 2010 Ontario government grant for the expansion.

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