

April 23, 2021

The Pharmaceutical Industry Labor-Management Association (PILMA), a coalition of biopharmaceutical companies and skilled construction labor unions, reiterate our grave concerns with H.R. 3, the recently announced drug pricing proposal.

This short-sighted legislation would decimate the U.S. biopharmaceutical industry at a time when vaccines and therapeutics developed by this industry have been instrumental to navigating our way out of the COVID-19 pandemic. The unintended consequences of this bill would be catastrophic for union construction jobs, halting billions of dollars in infrastructure investment and laying off union workers that depend on high-quality jobs provided by the industry for their livelihoods.

The U.S. biopharmaceutical industry supports more than 4.7 million American jobs and is responsible for the largest share of business research and development in the U.S. economy. Research shows this bill would eliminate nearly 1 million jobs in the U.S.

PILMA remains fundamentally opposed to price control measures. H.R. 3 gives the government unprecedented control over price setting of medicines in both public and private markets. This would upend the market-based system that has incubated the development of innovative medicines and vaccines, and drive jobs overseas.

During this worldwide pandemic, when the biopharmaceutical industry and its union partners have made extraordinary strides in developing vaccines and therapies to eradicate the COVID-19 virus and enable our economy to bounce back, severe and punitive price control measures are especially ill-advised. Under the original Congressional Budget Office analysis of H.R. 3, it was estimated that fewer new drugs would come to market under these provisions.

H.R. 3's outcomes would result in reduced medicine availability in U.S. markets, which is of critical concern amid the worldwide vaccination effort. Many countries are now prohibiting exports of vaccines and the components required to produce them. Without research and manufacturing operations located here in the U.S., we will no longer be able to protect and provide Americans with the quality healthcare delivery system we have come to rely on.

The U.S. develops more medicines than the rest of the world combined because of its strong protections of intellectual property rights and free market economy. Carving out these pillars of our democracy would be a grave mistake for the future of innovation and resulting new medicines, jobs, and economic health.