FOR IMMEDIATE RELEASE August 7, 2025



Foreign Reference Pricing Threatens Union Jobs, American Global Leadership

Importing foreign prices would undermine life science innovation, eliminate union jobs, and cede ground to China

The Pharmaceutical Industry Labor-Management Association (PILMA) expresses deep concern over recent White House actions that aim to implement a "Most Favored Nation" (MFN) pricing policy for prescription drugs.

This misguided approach poses a serious threat to America's position as a global leader in healthcare and the life sciences, and it endangers the jobs supported by these critical sectors. While we share the President's goals of making prescription drugs more affordable and supporting high-quality American jobs, importing foreign price controls would surrender our competitive advantage to international rivals like China while providing no direct benefits to patients.

A <u>recent study</u> demonstrates that America's life sciences companies are already stepping up their investments in the U.S. Private sector construction spending by pharmaceutical companies increased by over 70% from 2019 to 2024, totaling at least \$86.5 billion over that period. And in 2025, companies have accelerated their commitments to investing in the U.S., as demonstrated by recent commitments from companies such as <u>Eli Lilly</u>, <u>Johnson & Johnson</u>, <u>Amgen</u>, <u>Merck</u> – and many others – to invest billions to expand U.S. manufacturing operations.

The study, which looked at over 1,000 pharmaceutical and biotech construction projects across 18 states, reveals the industry generated more than 65 million labor hours and \$2.6 billion in wages for skilled union construction workers who build and maintain the advanced facilities needed for cutting-edge research and manufacturing. Union pipefitters, electricians, ironworkers, and other skilled trades are essential to building the sophisticated infrastructure that enables breakthrough medicines to be developed and manufactured. These facilities require exacting standards and specialized expertise that only union-trained workers can reliably deliver.

Foreign reference pricing would directly threaten these high-quality jobs at a time when America can least afford it. China is aggressively positioning itself to overtake American leadership in the life sciences and is investing heavily to challenge U.S. dominance.

Instead of ceding a key economic and strategic advantage to our primary international competitor, policymakers should pursue balanced policies that promote American investment, strengthen competitiveness against China, protect high-quality union construction jobs, and address affordability through targeted reforms that don't undermine the foundations of U.S. global leadership in the life sciences.