

part of their benefit, all of a sudden providing that benefit to a Canadian worker is a whole lot cheaper than it is providing that same benefit to a UAW employee or retiree in Detroit, Michigan, or to an active worker. That just says we are making it more expensive.

If you talk to your manufacturing people today, what are they complaining about? They are complaining about the escalating cost of health care which many and most people say is being driven primarily by the escalating cost of prescription drugs. The cost of prescription drugs is one thing. The cost of health care is another. But that has a ripple effect into other parts of our economy, which makes it more difficult for our workers to be competitive against other workers around the world. Again, Germany, they are buying that stuff for \$5. So for a German company or the German Government to provide that benefit to a factory worker is \$5. Here it is \$100. Where do you think it is going to be more expensive to manufacture a car or anything else? It is going to be more expensive here in the United States. So it has a ripple effect. It is not just prescription drugs. It is a ripple effect throughout. It is kind of like a cancer that starts eating at all these unintended consequences. That is why we have got to deal with it, and we have got to deal with it as we go through this prescription drug plan and this prescription drug debate.

Mr. GUTKNECHT. Absolutely. The time is now. You mentioned in coming from Michigan, General Motors has been a fabulous employer. Not only in the State of Michigan but for suppliers all over the world. The interesting thing is General Motors, I met with a General Motors lobbyist last week. Do you know how much they are going to spend this year on prescription drugs, the company? This is just for their employees and their retirees. \$1.3 billion. GM will spend \$1.3 billion. What is worse, that number is going up 16, 17, 18 percent per year. That is a cost before they sell the first automobile, before they sell any cars. Those are costs they have to pay for.

Mr. HOEKSTRA. Just think, the numbers and the examples you are using, a conservative estimate says rather than the U.S. price being 20 times what they might be able to get it somewhere else, let us say U.S. companies could save, 25, 30 percent. For a company like General Motors, for any employer, that gets to be real money. Think about it. For General Motors if they are spending \$1.3 billion, that would be \$300 million, either in lower prices, increased competitiveness, or better services and more benefits to their employees.

Mr. GUTKNECHT. Right.

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We are absorbing that cost, and I think when we talked about this at a conference today, what somebody said is we are subsidizing the rest of the

world in health care and prescription drugs, and we are subsidizing. I think your term is, the "starving French," or the "starving Swedes," or the "starving Swiss."

Mr. GUTKNECHT. You can use whichever. I would say Americans are willing to pay their fair share. We understand there is a cost for research. We understand we have to pay that \$3.9 billion that one of the big pharmaceutical companies will spend this year on advertising and marketing. We understand that has to be paid. We are willing to pay our fair share. We are willing to subsidize the people in Sub-Saharan Africa. But we should not be willing to subsidize the starving Swiss.

Mr. HOEKSTRA. This affects the ability of GM to sell cars in Europe. This affects the ability of GM to sell cars in the United States against cars that are made in Europe by companies who are providing benefits to their workers. And we are subsidizing their health care. We are subsidizing health care in Canada, we are subsidizing it in Mexico, we are subsidizing it in Japan and in Europe, because we are paying prices that the rest of the world is unwilling to pay which means these companies can go to other places in the world and sell the prescription drugs for prices significantly lower than ours.

Mr. GUTKNECHT. Well, the real bottom line is virtually every other company has to compete in a world marketplace. What we are saying is let markets work. Open up the markets.

Finally, we are all concerned about safety. But this is a counterfeit-proof package. It is a blister pack, one of the first versions. It is getting better.

There is a great little company out in California that is helping to develop the technology for the new \$20 bills to make them counterfeit-proof. It is good enough for the U.S. Treasury, but, so far, not good enough for the FDA.

We are going to demonstrate in the coming weeks how we can have safety-sealed counterfeit-proof packaging which will guarantee the safety of drugs wherever they happen to come from. If the drug companies have to compete in a world marketplace, the way General Motors does, the way Eastman Kodak does, the way IBM does, the way Microsoft does, or the way every other company in America has to compete, you will see prices in the United States drop dramatically; and that amounts to billions and billions of dollars of savings, not just for retirees, but for all Americans.

Mr. HOEKSTRA. There is no reason drugs cannot cross borders safely. We have food that crosses borders safely, and there is no reason we cannot develop a system to maintain the integrity of prescription drugs as they go from Canada into the U.S. and those types of things. We can put the measure in place to ensure the safety and security of our prescription drug supply.

Mr. GUTKNECHT. We just have a few more minutes, and I will close by say-

ing this. The gentleman is exactly right. We import in the United States thousands and thousands of tons of fruits and vegetables and meats. As a matter of fact, this year we will import 318,000 tons of plantains. If we can safely import 318,000 tons of plantains, we can surely figure out a way to import Prilosec and Glucophage.

There is no way people will argue we cannot do this safely. We have the technology today. The time has come to open up markets, let our people go and stop this captive market. We will see prices drop in the United States by at least 30 percent.

Mr. HOEKSTRA. I thank my colleague for joining me talking about prescription drugs and talking about Prison Industries.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. STENHOLM, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, June 19.

Mrs. BLACKBURN, for 5 minutes, June 19.

Mr. GOSS, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, June 16 and 17.

Mr. HENSARLING, for 5 minutes, today.

Mr. NUSSLE, for 5 minutes, today.

Mr. BURGESS, for 5 minutes, today.

#### ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker.

H.R. 1625. An act to designate the facility of the United States Postal Service located at 1114 Main Avenue in Clifton, New Jersey, as the "Robert P. Hammer Post Office Building."

#### SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles: