

11 per cent compounded annually for the period 1987 through 1991, well above the CPI rate”.

That is not all the company report had to say. According to Green Shield the average cost per claim for new drugs introduced between 1988 and 1991 was more than double the average for drugs introduced before 1988. The key question through all of this is who is going to pay. Why are drug prices going through the roof and what can seniors and the general public expect in the future? For this question the president and CEO of Green Shield had to say: “It is reasonable to suggest that any further extensions to patent life will result in continued high level of increase in drug costs”.

During the debate on Bill C-22 seniors groups and consumer advocates told the government that prices would increase if patent protection was extended. Now we have proof that the government did not know what it was getting into. Instead of admitting that Bill C-22 was one more of its mistakes, the government is pushing ahead with extending patent protection even further. The government is turning its back on the seniors and is walking down the garden path to higher drug prices.

The promise the government made in 1987 has not been fulfilled. While spending for research and development has increased, much of it has gone toward clinical testing of drugs and not for the leading-edge research for new beneficial medications. Despite promises of new jobs, the multinational drug companies have actually cut back on staff.

I think it is quite unfortunate when the chairperson of the Patented Medicine Prices Review Board in its report to Parliament indicated that drug prices have increased not below the rate of inflation, but well above the rate of inflation. For example, Green Shield increased by 11.4 per cent, Ontario Drug Benefit Plan by 13.2 per cent and Manitoba health insurance by 12.3 per cent. He also indicated that drug companies are totally ignoring the rules they agreed to five years ago. Unfortunately, there is no way to force them to follow the rules.

The people who are really getting walloped in this situation are the people on fixed income, the seniors of this country. One might say that seniors are only 11 per cent of the population, but they consume about 40 per cent of the drugs. What we are doing is taking and taking

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from the senior citizens. They have no recourse. We tell them to buy more medical plans. The medical plans are going up in price. They are caught. Most likely some of the seniors unfortunately, the people who have made this nation what it is for you and me, are possibly caught in the situation that they cannot pay for the drug plan and when it comes time to get the drug, they just have to do without.

I call on the government to show some compassion, look at Bill C-91, think of the Canadian people and withdraw this legislation.

Hon. Harvie Andre (Minister of State and Leader of the Government in the House of Commons): Mr. Speaker, I look forward to participating in this debate to correct some of the misinformation the previous speaker has just put on the record.

I will just mention a couple of figures that come to mind for example. He talked about an 11 per cent increase according to the Green Shield plan in drug prices. What he failed to mention was that includes all drugs, patented and non-patented. What he failed to mention is that patented drugs, which is what Bill C-91 deals with, represent 20 to 25 per cent of the total drugs. He fails to mention that prices for patented drugs over the last four years have increased less than the rate of inflation, less than the CPI, that the increases he is talking about are for the non-patented drugs which are not affected in any way, shape or form.

The concern about price rises in non-patented drugs lies totally within provincial jurisdiction. If the hon. member truly wanted to contribute to the understanding of Canadians, he would not confuse the two in the way he has done.

• (1610)

He talked about the increase in cost to the drug plan of the province of Ontario, for example. He fails to mention that is the total drugs prescribed within that plan including non-patented as well as patented.

He failed to take into account the number of people and the number of prescriptions. He failed to mention, as he could have, that the average senior citizen gets some 26 prescriptions per year in this country. There are many, many duplicates. Go into the medicine chests of a lot of senior citizens and you will see a lot of prescrip-