

*Oral Questions*

Senator David Pryor in a letter to U.S. trade representative Mickey Kantor indicates that the government sacrificed the Canadian generic drug industry solely at the request of President Bush, and I quote: "The previous Bush administration exerted significant pressure on the Canadian government to abandon their system of generic drug licensing", a move that will cost the Canadian health care system over \$4 billion.

Why did the minister cave in at the negotiations? Why did he put the political interests of the President of the United States ahead of the public interest of Canadians?

**Hon. Benoît Bouchard (Minister of National Health and Welfare):** First, Mr. Speaker, as we already said and will repeat again, there was no pressure by the United States on the health care system and there is no pressure from ourselves either on the health care system.

**Mr. Ron MacDonald (Dartmouth):** Mr. Speaker, let me try it again. My supplementary question is for the Minister for International Trade, the individual who negotiated this deal.

Today the government's own watch-dog, the PMPRB, reported that as a result of the government's drug patent laws Canadians are paying some of the highest pharmaceutical costs in the entire industrialized world. Yet the Minister for International Trade will get up and defend the clause he agreed to in the NAFTA that will lead to even higher drug costs for all Canadians.

Given the report of the PMPRB, does the minister of trade now agree with Senator Pryor and will he agree to have these offensive clauses removed from the proposed NAFTA deal?

• (1445 )

**Hon. Benoît Bouchard (Minister of National Health and Welfare):** Mr. Speaker, it is strange that the member referred to the patent drug legislation. All the countries which are supposed to have prices lower than Canada do not have any kind of compulsory licence system.

All the countries the member is talking about do not have a compulsory licence system. They have a mechanism to control, as we have in Canada. I said before, as he knows, that we have reduced the prices under Bill C-22 and that the PMPRB has all the authority to do the

same if it considers that prices are not reasonable under Bill C-91.

We accomplished exactly the purposes we had in mind when we decided to put Bill C-22 and Bill C-91. He should read the bill very attentively and maybe he will understand.

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**CIGARETTE LABELLING**

**Mr. Jim Jordan (Leeds—Grenville):** Mr. Speaker, my question is for the Minister of National Health and Welfare.

The Liberal Party is not against the proposed new regulations regarding the labelling of cigarettes, but the pending new regulations are causing great havoc in the packaging industry.

Can the minister give me assurance that two concerns of the packaging industry will be met; number one, that the industry will be given adequate lead time to refit its production lines and, two, that the industry will be given adequate transition time to fill existing orders and dispose of current inventory in its warehouse?

**Hon. Benoît Bouchard (Minister of National Health and Welfare):** Mr. Speaker, first I want to correct something which appeared in the newspaper this morning in terms of the uncertainty about the law. There is no change in the law.

I said last week or the week before that by September 1 normally the companies would be ready to make the change because technically the drums used by the company to print the packs have to be changed every three months. They have five months and within that period they will have the opportunity to do what should be done. We gave enough time so that the companies would not have to pay more money to apply the regulation that the government decided on.

I believe it is fair and I believe it responds to the concerns we have about the tobacco problem.

**Mr. Jim Jordan (Leeds—Grenville):** Mr. Speaker, with layoffs affecting 200 to 300 employees at a packaging industry in eastern Ontario, announced just yesterday, there is a great deal of uncertainty in the communities affected.