

*Patent Act—Trade Marks Act*

especially drugs of equal quality selling at a lower price.

● (2:20 p.m.)

This bill, Mr. Speaker, is not a radical one. As a matter of fact some lawyers feel that the things it proposes to do could be done under the present law. The present law allows for compulsory licences on patents for drugs, but the director of patents has felt he could only grant such a compulsory licence for manufacture but not for import. As I said, many lawyers have disagreed with this. They felt the present law would allow compulsory licences for imported products.

The bill before the house, however, will make this point very clear. It will make very clear that the director of patents will be able to grant a compulsory licence for the importation of drugs. The whole purpose of the bill is that it is felt that by bringing in competition from outside the country we will force down drug prices through competitive measures. We know that drugs in other countries are sold at a much lower price than in Canada. The price often is one-third or one-quarter of what it is in this country. It is felt that if individuals or companies can import these drugs this will force the companies which make and sell drugs within this country to bring down their prices and that there will be a downward pressure on drug prices.

This measure is not very radical. Furthermore, when the Ilsley commission reported on patents it said that they should not be used as a tariff barrier to trade. Right now this is what is taking place. In many cases patents are being used as a tariff barrier to trade. If we look at the experience in other countries such as the United Kingdom and the United States, where there are similar procedures in respect of the importation of drugs which are under patent, we will see that the drug companies have not gone out of business. They did not stop doing research; they did not suffer very much.

I should like to refer to another point which has been raised by the official opposition, that is, the question of safety. The first speaker for the official opposition last night dealt primarily with the question of safety. I am referring to the hon. member for Athabasca (Mr. Yewchuk). He said that he would like to see lower drug prices but not if this meant unsafe drugs. This morning the hon. member for Simcoe North returned to that argument. He said that if this bill is passed we run the risk of having unsafe drugs.

I think it should be made very clear that the Patent Act and changes to it have no effect whatsoever on whether or not drugs are safe. The question of the safety of drugs in this country is determined by the Food and Drug Directorate. Whether or not this bill had been introduced we would want to see a food and drug directorate which would protect us against unsafe drugs. We would want to do everything possible to strengthen the Food and Drug Directorate. I and many other members of this house maintain that the question of safety lies with the Department of National Health and Welfare and the efficiency of the Food and Drug Directorate. It is their business to test new drugs which come into this country. We have been assured they would do this job well. This morning the parliamentary secretary to the Minister of National Health and Welfare again gave us this assurance which has been given on many occasions.

It has been pointed out that the policing of drugs and faulty drugs is not always done in respect of imported drugs. I believe it was pointed out last night by one member that very often the drugs which have been found to be faulty are drugs that have been produced by some of the major companies in Canada which have been producing drugs for a long time. So the policing of the drug industry will be carried out by the Food and Drug Directorate and will be done in respect of drugs produced in Canada and those imported under compulsory licences. But this has nothing to do with the Patent Act or changes to the Patent Act. I believe everyone agrees that everything must be done to protect the safety of the general public in respect of drugs. That will be done.

Objection to this bill has been expressed by those who say that if it becomes law it will affect research which is being carried on by the drug companies in Canada. They say that right now certain research is being carried on and that this bill could have the effect of cutting back on research programs and that much of this work will not be done in the future. Again I have not been convinced by that argument. I must say I listened to the many people who came to my office. Some of them are scientists working for drug companies and friends of mine. I have them sympathetic hearings. I invited their arguments in writing. Whenever I was approached by the officials of a drug company in Montreal I was asked if I would listen to their side of the story. I did so and told them that if they