Mr. HARLEY: I wonder whether you could give us some idea of the problem that was prevalent before this legislative change and the effect of this change as it now appears?

Dr. MORRELL: Mr. Hammond is here, who administers this, and perhaps he should answer it. I can give in general terms what I know about it.

Prior to the amendment to the Food and Drugs Act in 1961 and the setting up of schedule G, these drugs were obtained only on prescription as they were already in schedule F, and could legally be bought only on a doctor's order. I presume that the temptation and the demand for them in the illicit market was sufficient to make it profitable and desirable for some people to obtain them in whatever way they could and peddle them on the street corners or in the taverns, or wherever they were sold.

This was a difficult matter for the police to handle because there was no such thing as illegal possession, and if you had a pocketful of nembutals, you did not have to tell them where you got them. I think the only offence in this regard then was to sell them if you were not selling them by prescription, and you could be charged then under the Food and Drugs Act in respect of that illegal sale.

This was not very satisfactory because there was not a very strong penalty applied in these cases. The matter grew to considerable proportions in certain cities in Canada. In view of this circumstance the Food and Drugs Act was amended to provide for schedule G.

Now before you can sell a barbiturate you have to have a licence, from either the province to practice medicine or to practice pharmacy, and as a manufacturer, importer or wholesaler you must be licensed by the Department of National Health and Welfare, in order to deal in these drugs. In addition, you must keep thorough records of what you buy and what you sell and to whom you sell, so that this makes it possible for the department with a proper staff to examine the records at the wholesale, retail and manufacturing level and to audit them and give the information to the department which can be examined to see that the manufacturers are accounting for the products they buy and the ultimate sales to the various people. I think there is no doubt about this having had a satisfactory effect in lessening, if not altogether stopping this illicit traffic in such things as barbiturates and amphetamines. Mr. Hammond will know the details of this.

The CHAIRMAN: Would you like to hear from Mr. Hammond in this regard, Doctor Harley?

Mr. HARLEY: I will leave that to the committee.

The CHAIRMAN: We will hear from Mr. Nicholson first.

Mr. NICHOLSON: In the report of the special committee of the Royal College there appears the recommendation that more testing be done by universities and by research councils in order to assist you in your work. Are you using universities in this regard now, Doctor Morrell?

Dr. MORRELL: Are you referring to clinical testing?

Mr. NICHOLSON: Yes.

Dr. MORRELL: I think the manufacturers have succeeded in getting some of the universities to take an interest in the clinical testing of new drugs.

Mr. NICHOLSON: Does your department use the facilities of universities in this regard at all for clinical testing?

Dr. MORRELL: No.

Mr. NICHOLSON: Do you use these facilities if there is a dispute of any kind?