

branch has a transcript of the hearings before the U.S. Senate committee which contains the full details. I am enclosing photostats of press clippings which you may find interesting.

I certainly did find them interesting because the clippings bore out in full detail the excellent summary of the situation outlined in the minister's letter.

I wish to add two new developments in what I call the case of the cover up cartel. The United States senate subcommittee continued its investigations, and I may say that they were long, detailed and thorough. It reported the fact in its year end report for 1967 that while the price of bulk quinine had dropped dramatically from almost \$6 an ounce to \$2.53, the manufacturers of quinidine tablets were not passing on the savings to the consumers. It also said, and this is very important, that there is not now, nor has there ever been since world war II, either a shortage of world supplies or an excess of world demand for quinine or quinidine.

It pointed out further that even though the cartel had bought almost 90 per cent of the U.S. stockpile of quinine before the U.S. defence department froze the remainder, based on the current military needs there is now left enough quinine in the stockpile to last for at least 1,142 years. So much for the Viet Nam war theory as an explanation for the price of quinidine tablets.

The United States did not rest at this point. The latest development I could find appeared in the *Toronto Star* of October 26 of last year which published a UPI special despatch from Washington as follows:

U.S. federal grand jury yesterday indicted 15 drug companies and 8 of their executives on criminal charges stemming from an alleged international conspiracy involving quinine and related drugs.

I have been trying very hard to follow up the result of that indictment and of that trial. So far I have not been able to trace it, and I would be very glad indeed to find out how that trial is progressing.

Now, I should like to go back for a moment to my letter of May 4, 1967 from the then Registrar General. He continued:

While it appears clear that increased prices have been due to the action of the cartel, all of the operations of the cartel have taken place outside Canada and beyond the reach of Canadian law. I was advised by the Director of Investigation and Research that Canadian suppliers appear to have acted responsibly. They are not parties to the cartel but have been forced to pay the inflated prices to obtain supplies of the basic drug. As far as can be learned, the increased prices for tablets simply reflect these increased prices.

Patent Act—Trade Marks Act

I am wondering whether or not the same thing could have been said of U.S. manufacturers and people who were handling these drugs, that they were not parties to the cartel but had been forced to pay the inflated prices to obtain supplies of the basic drug. This is not the view that the U.S. government has taken of this matter. I want to know what measures our government proposes to protect Canadian consumers in this and other similar cases of exploitation and of merciless gouging by these international cartels. If the whole matter is presently beyond the reach of Canadian law, what can Canadians do to get such drugs at prices the great majority who need them can afford? This is a question with which I hope the minister will deal when we reach the committee stage of the bill. It is very relevant and urgent, and of course this bill does not elucidate how to deal with a situation of this kind. I should like to know whether the minister has other proposals as a follow up. Perhaps he will indicate them when we reach the committee stage of the bill.

If this whole matter is presently beyond the reach of Canadian law, and I have no doubt that it is, what can the government do to help people get drugs at prices the great majority of them can afford? This is an urgent question. I cannot believe that we should accept an attitude of helpless and hopeless resignation in the face of these international cartels. The United States authorities have acted to indict 15 drug companies and 8 of their executives on criminal charges. Why cannot we do likewise in a similar situation? What is our Combines Investigation Act for? If it cannot be used for such purposes in its present form, let it be amended or scrapped in favour of an act with teeth in it to protect the Canadian consumer. If that act is not suitable, let the minister make explorations as to what else can be done. I understand he is preparing amendments now for dealing with various phases of the need to protect the Canadian consumer, and perhaps this is one matter which he has under advisement. If not, surely it is up to the Minister of Consumer and Corporate Affairs (Mr. Basford) and the Minister of Justice (Mr. Turner) to get together and devise ways and means of protecting the Canadian consumer from exploitation by this and other similar cartels.

There are still other measures which must be taken. I think it is exceedingly relevant that we should underline the fact that bill