

*Patent Act*

floor of the House of Commons for debate. I say this because it is a piece of legislation that has received a great deal of attention, not only in the House but across the nation. It is an important Bill. It deals with an issue that clearly needs to be debated by all Members of the House. It needs to be thought through carefully by all Canadians. All Canadians require an opportunity to be as fully informed as they can about the pros and cons of this Bill, those things that might relate to potential increases in drug prices and so on, and to have those things really established in this forum. I think we should move on with the debate and send the Bill to committee as quickly as we can.

The changes that Bill C-22 bring forward are based on respect for intellectual property, incentives to Canadian industry and continued consumer protection. I think all Members of the House would recognize, knowing something about my background in science and my interest in research, that I have a dramatic interest in any legislation that would affect research or potential research and development in Canada.

As we look at this legislation, the cornerstone of the policy that we are addressing is a return to patent protection for those who discover and develop new drugs. Our Government believes in the principle that intellectual property rights must be respected and protected. Canada is the only industrialized country in which patent rights for new drugs can be assessed at any time by a compulsory licensing procedure. In fact, if all countries had such regressive laws no new drugs would be discovered anywhere in the world.

It is time that we brought our patent law into line with the rest of the world. This legislation will transform Canada's pharmaceutical sector into a world-class innovative industry led by a significant increase in investment and jobs in research and development. Upgrading Canada's Patent Act will also give us access to the Patent Co-operation Treaty, facilitate the dissemination of new technology, especially to small and medium-sized businesses, and decrease costs and increase productivity by eliminating much of the duplication that currently takes place. The goal, then, in amending the Patent Act, is to create an inviting climate for research and development in Canada's pharmaceutical industry. This is vital to our Government's goal of economic renewal and industrial growth.

There is much less pharmaceutical research and development being done in Canada than the Government and the Canadian research and development community would like, particularly the Canadian university community. This is because Canada has been regarded as a country with a hostile climate toward the protection of information such as that to which we are addressing ourselves this afternoon. Innovative drug companies doing basic research do not want to invest here because Canada has refused to protect their discoveries. Drug research in Canada is now almost totally oriented toward the clinical research and trials necessary to obtain permission from the Department of National Health and Welfare to market a drug in this country. The basic research that should provide

employment for our university science graduates is being done in other countries, at Canada's loss.

Bill C-22 attempts to correct this inequity for Canadian pharmaceutical research. It will lay the groundwork for employment in Canada for Canadian universities and for Canadian science, in particular for graduates and post-graduate students in chemistry, biochemistry, biotechnology and in our medical schools. It is important to note that very little commercialization of the products and ideas of Canadian university and other pharmaceutical research organizations now happens in Canada. This is partly because there is no real manufacturing capability in Canada that could commercialize these products and ideas. By providing an incentive for firms to manufacture fine chemicals, the basic ingredient in drugs, rather than to simply process imported materials into dosage form, the Government is laying a second part of the foundation required for the Canadian pharmaceutical industry to become a significant player on the world scene.

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Bill C-22 will generate more products and more ideas from the Canadian pharmaceutical research and development establishments. In order to get the maximum benefit from these products and ideas, however, it is necessary to have a productive and adequate manufacturing base available. Otherwise, the commercialization of Canadian research products and ideas will be done elsewhere and Canada will not benefit from the employment and further investment opportunities this process could generate.

I believe the steps being taken in this Bill and the new investment in research and development that will result are major steps forward in the support of a truly significant pharmaceutical industry. The investments resulting from Bill C-22 will benefit all of Canada. Research centres capable of performing pharmaceutical research will benefit from this increase in investment because a greater proportion of the extramural research expenditures of the pharmaceutical companies will be made outside Quebec and Ontario.

Last weekend, I spent a considerable amount of time in Alberta. I met with representatives of the pharmaceutical community there and found that they were anxious to establish a pharmaceutical research capability in that province. They encouraged us to proceed with this legislation so that they could participate by having research facilities established in Alberta, particularly in association with medical schools.

The changes this Bill will bring about have long been called for by the Canadian scientific and research community and particularly by the university community. Bill C-22 will result in a significant amount of new research and development expenditures going to Canadian universities, hospitals and private research institutions.

The June 1983 discussion paper released by the then Minister of Consumer and Corporate Affairs, the Hon. Member for Papineau (Mr. Ouellet), called for a rebalancing