

Patent Act—Trade Marks Act

drug companies of Canada and assure them that nothing drastic was going to happen to them as a result of this legislation.

We are going to support this legislation because we think that it brings a measure of improvement to the situation in that it will inject an element of competition which is much needed in the drug industry. Our position has been stated in the past. Hon. members may recall that our party was highly unpopular because of the position we took. The Liberals were scrambling to go to a convention and insisted that we stop talking about drugs. But we stayed here until we got an assurance from the government that this bill would come back. We are glad that we put pressure on the government at that time and that we received that assurance.

• (3:00 p.m.)

We are glad to see this legislation before us because there was a real danger that even this milquetoast piece of legislation would never see the light of day. I say this because it is an open secret that hon. members belonging to the Liberal party approached members on this side of the house asking them to fight for this legislation because they felt the same kind of fear. So, we are glad to see the bill before the house today, and glad it is to go to the committee.

Nevertheless, we also wish to say that the measure will not do the job which is needed and that the government should consider putting into effect the suggestion we made when the legislation was before the house earlier this session, namely, that a Crown corporation be established to market and, if necessary, to manufacture drugs for the benefit of the people of Canada.

I should like to believe that such a corporation will be established despite what may be indications that the government is not prepared to support a proposition of this kind today. So often in this house have we seen a pattern along these lines. I was interested to note that in reply to a question put to him during a television program on January 5 the Minister of National Health and Welfare (Mr. Munro) indicated that he would be willing to consider the establishment of a Crown corporation if the merit of such a course could be demonstrated. I hope we may receive the same kind of reply, or perhaps even a stronger statement in favour of a Crown corporation, from the Minister of Consumer and Corporate Affairs (Mr. Basford). In Canada,

Crown corporations are an accepted instrument of national policy and development. Many Crown Corporations have been set up for different reasons at various times in our history. I suggest there is a compelling reason at this moment for introducing legislation to establish a Crown corporation in this particular field, namely, that the drug industry in this country is a national disgrace; it has miserably failed to meet the needs of the Canadian people.

The present situation is a clear example of the conflict between the goals of private companies and the public welfare. I am not saying that the gentlemen involved in the drug industry are bad people as individuals. As a matter of fact, I understand they are very nice. I hear they take great care of their children. Some of them like dogs. Some of them keep cats. They do not kick animals. They do not go around with gabby women. The integrity, as individuals, of those engaged in the drug industry is not the question before us. The point is that the aims of the industry as such are in conflict with the public need.

It often happens, I suppose, that people simply drop into a situation of this kind, and having done so there is little they can do about changing the pattern, even if they wanted to do so. Each company they compete with operates within the same terms of reference. The very character of the industry itself makes it hard for changes to be made. As we have heard, the industry spends something like 30 per cent of its gross income on advertising and promotion. Any private company trying to compete would have to do the same thing. If a competitor sends out detail men, it would have to do the same. If a competitor gave away free samples, it would have to follow suit. If one made little presents at Christmas time, the other would be forced to do so.

An hon. Member: Or an election contribution.

Mr. Saltzman: If one gave an election contribution or placed an advertisement in a medical journal, the other would have to do the same. So they are all on a merry-go-round, and even though certain people within the industry might recognize the inefficiency of these arrangements they would be unable to do anything about it.

How does one get away from such a situation? Obviously the industry cannot reverse its own course, nor can it correct its errors. It