

Canada covering all drugs or whether they were based on drugs subject to patents or drugs subject to generic competition? Just what were they? Were they rough figures furnished by Statistics Canada?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): The information I conveyed to the house a few moments ago indicates the increase in 1983 drug prices, including generic drugs. That was the information I had before me. I do not have any further information as to the methodology that was used in calculating those.

Senator Sinclair: My question is: Do those figures from Statistics Canada deal with drugs generally? If they do, that is not germane to the issues which were dealt with in Bill C-22. I would ask the Leader of the Government to check the basis upon which those figures were given. Would he do that for us?

Senator Murray: I do not understand why the honourable senator believes that the argument would not be germane. I do not have the figure in front of me at the moment, but, as I recall, the rate of inflation in that year was something between 5 and 6 per cent, and the increase in drug prices, including generic drug prices, was in excess of 12 per cent. That was the point I was making.

Senator Sinclair: My question really is: Are the figures furnished by Statistics Canada based on prescription drugs or drugs generally?

Senator Murray: I have heard the question and will see whether I can get a more precise answer for the honourable senator.

REQUESTS RE DRUG PRICING

Hon. Ian Sinclair: Could the government leader advise us whether the government has received any requests from Cancer Research or organizations such as that dealing with the issue being discussed here today, the movement of prices of prescription drugs?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): I will try to get an answer for the honourable senator.

DRUG PRICE INCREASES—GOVERNMENT ACTION

Hon. H.A. Olson: Can the government leader tell us whether the reliance on what the Drug Prices Review Board may do will be the only action taken by the government to deal with the problem of these enormous price increases? When the Minister of Consumer and Corporate Affairs appeared before the committee, I believe he volunteered—I do not think it was in response to a question—that he understood that price control was *ultra vires* of the federal government's authority; in other words, that the government could not set up a Drug Prices Review Board which had the power to set or control prices, and that this board's authority would be limited either to granting or to withdrawing the exclusivity under the patent

rights. That is where the authority of the Drug Prices Review Board was to be exercised.

As a number of senators have already pointed out, the drug companies came before the committee and gave a solemn undertaking that they would not increase drug prices in excess of the CPI. Can the minister tell us whether the government intends to take any action to see that that is done? The committee and the public of Canada were led to believe that the minister had obtained a pledge from the drug companies such that they would stay within the CPI in terms of the increases in drug prices. Is the government planning to do anything about this situation other than to rely on the Drug Prices Review Board some weeks down the road? Is the government going to do something now to try to persuade the drug companies to keep their word?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, believing as we do that the various powers contained in that act, including those of the Drug Prices Review Board, are more than adequate, we do not contemplate any further measures at this time.

Senator Olson: I take it, then, that these increases to which Senator Bonnell and others have referred—some as high as 230-odd per cent—will be allowed. Is the government going to stand idly by and watch the drug companies take these enormous increases that are completely contrary to their undertakings?

Senator Murray: Honourable senators, the entire series of questions is based upon one article in the *Globe and Mail*. I think that should be put on the record.

Senator Olson: Honourable senators, it is not difficult to go to some of the prescription drugstores to find out the percentage of increase in various prices. If the government is not going to take its responsibility and do that itself, then we will try to do some of its homework for it.

DATE OF RESTRICTION OF DRUG PRICE INCREASES

Hon. John B. Stewart: Honourable senators, I should like to ask the Leader of the Government if it is not true that the act to which Royal Assent was given on November 19, 1987, brings into effect the new regime with regard to exclusivity as of June 27, 1986. The government leader will recall that members of the opposition protested against that early date, but that the government was insistent that that was the date as of which the new exclusivity regime would be in effect.

My question to the Leader of the Government is this: If that is the date on which the benefits of the drug companies under this legislation become effective, why is it not also true that the restrictions on price increases should be effective as of June 27, 1986?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I cannot add to the statement that was made on January 22 by my colleague, Mr. Andre, which I quoted to the