

Patent Act—Trade Marks Act

otherwise to allow the drug situation to remain as it is now.

If the price of drugs is too high, and that has been proved beyond the shadow of a doubt, the remedy is, surely, not to help the poorest people buy drugs and continue to allow the rest of us to be victimized by the drug companies. The remedy is for this government to take action to bring down the price of drugs for all Canadians in every part of the country and at every income level.

We shall support the bill now before us as a first, small step in this direction. But we are under no illusions. We know that it is a very small step indeed. We warn that it must be supplemented by other steps if the aroused expectations of the Canadian people are to be met. Indeed, the minister and his predecessor warned that this measure would be only one small step in a number that must be taken if the price of drugs was to be brought down.

My colleague the hon. member for Waterloo (Mr. Saltsman) has given cogent reasons for the establishment of a crown corporation to act as an independent marketing agency which would provide a yardstick by which the public could measure the performance of the existing private drug companies. It is to be hoped that the government, which has already been forced by the logic of events as well as by public opinion to establish crown corporations for other purposes, will shortly come to see the light in the handling of prescription drugs.

Still other measures will be needed if the price of drugs is to be brought down. I want to touch on one aspect this evening that has not been discussed in the debate up to this point except by way of very casual reference. I refer to the tremendous power of international cartels in setting the price of drugs, and the need for the government to co-operate with other governments and international agencies to devise ways and means of controlling them and breaking their power over the people who must have the products they handle.

Instead of talking in general terms I want to outline a single case that has come to my attention and that highlights the need for action that goes far beyond the scope of the present bill. Almost three years ago, in March, 1966, I received a letter from an elderly widow in Toronto. She had suffered for many years from heart trouble and her doctor prescribed quinidine sulphate pills to relieve the distress occasioned by that condition. For

[Mrs. MacInnis (Vancouver-Kingsway).]

some time prior to writing to me she had been paying \$12 for 500 pills. Suddenly, over a very short period of time, the price had gone up to \$65.25, 5½ times as much. Thoroughly alarmed, she wanted to know why. She wrote to various government ministers, federal and provincial alike and was always given the same answer: It was because of the war in Viet Nam.

When she wrote to me, I in turn wrote to the Food and Drug Directorate. The office replied that recently they had received many similar inquiries about this drug. They told me that the supply of quinine and its derivatives came mainly from Indonesia, India and certain parts of Africa. They added:

As you are aware, all these areas are unsettled to varying degrees...The current problems of a number of these countries have resulted in a lower production and a resulting short supply of the crude material, cinchona bark. It has also been reported that the United States government has recently purchased significant quantities of quinine to supply to their troops fighting in Viet Nam. The above circumstances have resulted in the substantial increase in the cost of quinidine.

The Viet Nam war was cited as being the cause of the sudden rise in the price of quinidine sulphate pills. A few weeks later I received another letter from my Toronto correspondent telling me that she had read a newspaper report saying that quinidine sulphate pills were being sold in Britain at \$7.50 for 500. Of course, she was paying at that time \$65.25 for the same number of pills. She wanted to know why she, in Canada, should have to pay almost nine times as much for quinidine sulphate pills as they were paying in Britain. This time I wrote to the Minister of Justice (Mr. Turner) who was then the Registrar General, the predecessor of the Minister of Consumer and Corporate Affairs (Mr. Basford). With his reply of May 4 came the dawn. I quote from his letter:

● (9:20 p.m.)

This matter (that is, the price of quinidine sulphate tablets) was recently investigated by the sub-committee on antitrust and monopoly of the United States Senate. The situation is rather complicated but the evidence given appeared to indicate the existence of an international cartel in which Dutch interests played a prominent part. The United States maintained a large stockpile of quinine (of which quinidine is a derivative). The presence of this stockpile had the effect of keeping prices down. Then the United States decided to sell a large part of its stockpile. Most of the released supplies were purchased by the cartel. Having gained control of most available supplies of the drug, the cartel increased prices, reportedly as much as 500 per cent. The combines