

*Government Orders*

opment. Make no mistake about it, that was a critical factor in those decisions.

There are also many other positive aspects of the record of Bill C-22 in economic terms. The industry said in 1987 that it would create jobs if we passed Bill C-22, and it has done exactly that. Employment in the innovative industry has grown substantially to about 18,000 currently, an increase of roughly 2,400 new relatively high paying jobs.

We have proven the critics of 1987 wrong on the question of research and development, and we have proven them equally wrong on all other counts.

Critics predicted the total collapse of the generic pharmaceutical industry in 1987 if Bill C-22 was passed. We passed Bill C-22 and sales of the generic industry have not dropped. They have grown by roughly 190 per cent since 1987. In fact, sales of the generic industry have grown at more than twice the annual rate of growth of the over-all pharmaceutical industry since that time.

The point is that the generic industry did not disappear with Bill C-22. It has done very well and it will continue to do so under Bill C-91.

That brings me to the third major doomsday prediction of 1987 concerning Bill C-22, which shows just how far we have proven the critics wrong.

That concerns the prices of patented drugs. Critics predicted that Bill C-22 would cause dramatic increases in the prices of patented drugs. That did not happen. Price increases have been kept well below changes in the Consumer Price Index.

Over the past five years patented drug prices in Canada have risen by 2.9 per cent a year, less than the 4.4 per cent increase in the Consumer Price Index.

The Patented Medicines Prices Review Board that we created with Bill C-22 has worked, and it will continue to work with the increased powers that this bill will give to that board.

The critics of 1986-87 were wrong. Bill C-22 was good for Canada and it is legislation of which we are proud.

The 1987 legislation, however, is no longer sufficient to cope with dramatic changes in this fast-paced industry. There is a new dynamic in pharmaceutical development that requires a new policy framework. Other

countries have responded by strengthening their patent protection for medicines. If Canada is to remain competitive it must also provide a climate in which high quality and high paying jobs can be created.

The Liberals and the New Democrats say they want high quality and high paying jobs and more research and development, but they then oppose the key legislation that will help bring that about. They cannot have it both ways.

[*Translation*]

The policy of this government is to improve the climate for the intellectual achievements of those who have invested in the expensive and high risk research essential for innovation in the pharmaceutical sector. At the same time this government is firmly committed to preventing any abuses in drug pricing. The enhanced powers of the Patented Medicines Prices Review Board will ensure that prices of both new and existing drugs are kept within reasonable limits.

• (1550 )

[*English*]

By pursuing a policy based on balancing these two objectives the government will encourage investment, research and development, job creation, and the search for new cures while at the same time protecting consumers.

Bill C-91 is designed to achieve the best of both. That is why I think it is very important for industry in Canada to see this bill approved by this House.

As you are very well aware, Mr. Speaker, we have seen the release of the action plan of the prosperity initiative which calls for precisely what this bill is designed to do: the creation of more research and development, the creation of new investment, and the creation of foreign trade opportunities. By bringing these all together through an improvement in the protection for patent legislation it provides the environment whereby these companies are able to achieve the objectives that were set out in the action plan so that when we hear what people are looking for in the country today, an increase in research and development, in investment, and international trade opportunities, it is precisely this type of bill that will create the environment to achieve these objectives.