

*Patent Act—Trade Marks Act*

cited. So much for the free rein of competition as it exists in the drug industry and, I assume, in many other industries as well.

The second point I should like to make is that the medical profession cannot escape its share of responsibility in the matter of high drug costs. It has been far too uncritical of the claims of detail men, the drug financed medical journals and the letters of correction forced upon the companies by the action of the food and drug administration.

Morton Mintz, a *Washington Post* reporter, who has made a specialty of ferreting out the sins of the drug industry had this to say in the *New Republic* of July 6:

In few areas of our mass-marketing technological economy is the medieval doctrine of "caveat emptor" less relevant than for prescription drugs.

The late Senator Estes Kefauver described it in this way:

He who orders does not buy, and he who buys does not order. For a patient the issue is more than economic; a potent medicine that is ineffective or less effective or safe than other preparations, may injure or even kill . . . It is, therefore, of high importance to the public health that the physician not be misled about the proper uses of the drugs that can be sold only if he prescribes them.

Since the 1962 Kefauver-Harris amendments to the U.S. food and drug act which required prescription drug advertising to carry a true statement, in brief summary, the F.D.A. has taken 33 formal actions against 26 manufacturers, including the largest and most prestigious in the prescription field, and forced them to retract in the Physicians' Desk Reference and in letters of correction.

In 1967, the F.D.A. invited comments on new regulations to tighten up deceptions brought to light in corrective letters. Not one U.S. medical group or practitioner responded in support of the F.D.A. This suggests to me either an apathy or an outright complicity. The physicians seem to enjoy being fooled, and so deception of physicians continues to be a profitable pursuit.

Third, the responsibility for deception rests with advertising of one kind or another. It has been reported that in excess of \$3,000 spent on advertising and promotion per doctor per year adds between \$600 million and \$850 million annually to U.S. prescription costs. With so much at stake it is little wonder that the U.S. news media give little prominence to charges brought by the F.D.A. in an attempt to eliminate deceptive advertising. This is a lucrative bread and butter item for newspapers, radio, magazines and TV. Therefore, we cannot depend on these media to kill

the goose that lays the golden egg any more than we can depend on the industry to police itself.

That spurious advertising is widespread may be underlined by the results of an exhaustive two year review of the efficacy of 3,640 pharmaceutical products marketed in the U.S. between 1938 and 1962. A preliminary report released by the National Academy of Sciences and the National Research Council provides further ammunition for the critics of the drug industry. According to the report, only 10 per cent of the drugs wholly live up to the claims made for them by their makers. About 10 per cent will probably be denied market privileges for lacking the therapeutic value claimed for them. This leaves 80 per cent of the drug products which are deceptively advertised beyond the limits of their usefulness. These statistics are contained in "Fortune" of July, 1968. So let the buyer beware all right, and the physician and governments too, Mr. Speaker.

• (3:20 p.m.)

It seems to me that an irrefutable case has been made by previous speakers over the past few days of this debate. I think few will disagree that the evidence is damning. I do not think this little bill by itself will do much to lower drug prices far enough, and neither do my colleagues. It might frighten some companies into making some temporary price adjustments. The bill is really only a sabre-rattling exercise. Two or three years from now, when the evidence proves inescapably that we should apply further corrective measures, please let us not hear a plea to substantiate further moves by more studies. We have already studied this matter to death, and so have other countries. Further studies will be just another stall, an excuse for not taking action.

We have had the Restrictive Trade Practices Commission study of 1963, the Hall Commission study of 1964, and the study undertaken by a parliamentary committee whose report resulted in the siring of this bill. We have the United States studies, the British commission and the Swedish experience at our disposal. They all say the same thing, that is, that the cost of prescription drugs is too damn high; and we have listened to the reasons ad nauseam.

So, let us get tough, if we have to. Let us get on with the job of protecting the patient, because he cannot do it himself. But whatever happens, Mr. Speaker, in the next three or