

Patent Act

● (1240)

GOVERNMENT ORDERS

[English]

PATENT ACT

MEASURE TO AMEND

The House resumed from Tuesday, November 25, consideration of the motion of Mr. Andre that Bill C-22, an Act to amend the Patent Act and to provide for certain matters in relation thereto, be now read a second time and referred to a Legislative committee; and of the amendment of Mrs. Killens (p. 1378).

Mr. Howard McCurdy (Windsor—Walkerville): Mr. Speaker, it is very pleasant to be so wholesomely welcomed by my colleagues for my participation in this debate. Of course, we are now debating Bill C-22 under the constraints of time allocation. As I indicated yesterday, I understand that the Government would want to limit the exposure through debate of the actions contemplated as a result of the passage of this Bill. If I headed a Government under such severe attack from consumer groups, senior citizens, retirees, provincial Governments and women's organizations I, too, would be led to conclude that a preferable course of action to follow would be to limit debate as this Government has done.

If I were in the Government I would be reading headlines on editorials with respect to Bill C-22 such as the following: "Patently Wrong", "Patent Weakness", "Selling Patent Law Changes", "Drug Price Deceit Backfires on Feds", "Truth and Consequences", "Don't Swallow the Tory Drug Bill Line", "Tories' Medical Drug Bill a Big Mistake", "Case Not Been Made for Altering Drug Laws". If I were to read such headlines I would consider that what we have here is a poor prescription.

The Prime Minister (Mr. Mulroney) talked about a drug crisis. The only drug crisis in Canada right now is the drug crisis being experienced by the Government. In looking at the circumstance and reflecting upon the severe pressures under which the Government now works, one wonders what could have impelled it to suggest this legislation in the first place.

We have in place in Canada, through compulsory licensing, an arrangement that has benefited Canadians to a huge extent. It is an inherent part of our general policy with respect to health care in which the emphasis is not on profits, pardon me, but on the welfare of the Canadian people.

One should reflect upon the circumstances which in the first place led to legislation introduced in 1969 which provided amendments to Section 41(4) of the Patent Act. Circumstances previous to 1969 are well documented. The Restrictive Trade Practices Commission and the Hall Royal Commission on Health both looked at the fact that in Canada at that time we had among the highest drug prices in the world. If they

were second to any country they were second only to the United States. So severe were the circumstances that no solution could be seen except to find some means of increasing competition in the prescription drug market. What we want to emphasize here is that not only were the multinationals making huge profits but they were doing so in absolute exploitation of the purchasers of prescription drugs.

Given the arguments of the Minister of Consumer and Corporate Affairs (Mr. Andre), one would expect that there must have been at that stage of the game tremendous investment in research and development in Canada. But the fact is, and the record shows, and shows clearly, that the multinational drug companies, consistent with the pattern of multinationals in Canada, made no investments in research and development, made no contribution to university basic research.

This legislation will eliminate for all intents and purposes the 10 to 17-year compulsory licensing provisions as compared to the situation which we have now. This is a subject to which I would like to return later.

I would like to review the results of compulsory licensing insofar as they have benefited the consumer and drug plans, be they private or provincial, and how they have made a significant contribution to the health care system. The Eastman Report, which was by far the most thorough examination of the drug industry in Canada, reached the conclusion anticipated by the Harley committee, a special parliamentary committee, that compulsory licensing would benefit the drug consumer, and it did. It resulted in having, instead of the highest, among the lowest drug prices in the world. So effective was this system that it became the model that was looked to by a number of countries in their search for policies which would restrict the huge profits and the high prices experienced elsewhere.

I wish to point out that most of the industrialized countries in the world have some type of restrictions on prices and profiteering. But in most cases they have proved unsatisfactory. It is notable that among those which have looked to Canada as a prospective model was a chairman of a congressional committee, Congressman Henry Waxman, who said that if the industry cannot contain its greed, then perhaps Congress should look to programs in countries such as Canada and Europe that have succeeded in holding down prices.

● (1250)

Let me remind you, Mr. Speaker, that the result of the Congressional study was the enhancement of the competitive position of generic manufacturers in the United States, a matter that has caused multinational members of the Pharmaceutical Manufacturers Association of the United States considerable chagrin. They have seen the handwriting on the wall and have reached the conclusion that the Canadian model is one likely to be copied elsewhere. So the attack is not on the Canadian system as much as it is a defensive action designed to ensure that Canadian legislation will not be brought to other countries in the world and adopted at their cost.