

Oral Questions

The Minister has always taken the position in this House that he never came under American pressure to change our drug price legislation. Will the Minister confirm that on pages 54 and 55 of the official 1986 United States Report on Foreign Trade Barriers, which I cited to the House of Commons during the trade debate, it states that Canadian "practices cost U.S. pharmaceutical interests significant lost revenues each year. The United States continues to raise its concerns at senior government levels." "The United States "urges speedy submission of modifying legislation"."

Why did the Minister and his colleagues cave in to that style of American pressure on drug prices and sell out our elderly and poor and those dependent upon drugs on a daily basis?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, as I have said in the House on many occasions, I have never been approached by the American Government. The Minister for International Trade has never talked to me about this being a trade issue. We are introducing this legislation because it is good for Canada. It is going to generate \$1.4 billion of incremental new research and development, at least 3,000 jobs, and better health care for Canadians. It is a good Bill for Canadians. The only people who are preoccupied with what the Americans think about this are the members of the Opposition.

REPORTED LOBBYING OF AMBASSADOR

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, will the Minister confirm that Mr. Edmund J. Pratt, Chairman of President Reagan's United States Advisory Committee for Trade, personally lobbied Canada's Ambassador to the United States to change our drug price legislation? Will the Minister also confirm that the same Mr. Pratt is the chairman of Pfizer Corporation, one of the world's largest drug companies? How could the Minister sell out Canadians under this kind of pressure?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, I was aware of those accusations. The Canadian Ambassador to the United States informs us that his recollection of the conversation is entirely different.

Will the Leader of the Opposition confirm that when he was chairman of Sandoz, a Swiss-based pharmaceutical company, he, according to the president of another Swiss company, Ciba-Geigy, on many, many occasions expressed his opposition to compulsory licensing and the damage it was doing to the pharmaceutical industry in Canada?

Some Hon. Members: Shame, shame!

Some Hon. Members: Oh, oh!

Mr. Turner (Vancouver Quadra): Mr. Speaker, I do not deny the appointment, but I never made such a statement because I brought that legislation into the House of Commons in 1969.

Some Hon. Members: Hear, hear!

POSITION OF UNITED STATES GENERIC PHARMACEUTICAL INDUSTRY ASSOCIATION CHAIRMAN

Right Hon. John N. Turner (Leader of the Opposition): Mr. Speaker, I have a sworn affidavit in my hand from Mr. William Haddad, Chairman of the Generic Pharmaceutical Industry Association of the United States, which states in part that on September 10, 1986, "the ambassador" that is our ambassador, "said that Mr. Pratt took strong positions on the Canadian drug legislation and placed it high on the list of U.S. demands on Canada, but that it was not clear whether in doing so he was speaking for Pfizer or the U.S. Government".

• (1425)

I will put my question to the Secretary of State for External Affairs. Since his embassy received a copy of the affidavit 48 hours ago, he must be up to date on the information. Will he confirm that the Canadian Government came under high level pressure to change our drug price legislation and that the Canadian Government yielded to that pressure?

Right Hon. Joe Clark (Secretary of State for External Affairs): Mr. Speaker, I will not confirm that because that is false.

GOVERNMENT POSITION

Mr. Dave Dingwall (Cape Breton—East Richmond): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. It concerns a question he was asked about drug prices in the Patent Act. On November 19, 1986, as reported at page 1320 of *Hansard*, the Minister said:

No one made representations to me either from the United States, through the trade office or through the External Affairs office or in any other way.

This sworn affidavit clearly indicates that the Canadian Ambassador felt that the Canadian Government was under heavy pressure from the United States Government. Will the Minister reconcile these two contradictory statements and confirm that the Canadian Government was under great pressure from the multinational corporations?

Hon. Harvie Andre (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Secretary of State for External Affairs has just denied and said that that affidavit is in fact not true. But when talking about pressure, part of the pressure that was applied was of the type of pressure the Hon. Member for Sudbury and other colleagues brought to bear. The Member for Sudbury said in a Canadian pharmaceutical magazine:

I may be branded as a heretic amongst Liberals in this country—but I happen to believe in intellectual property rights, and I think the patent laws of 1969 went too far in one direction.

That is the kind of pressure to which we are responding. Those changes went too far.