

We figured that was fair because they invented the drug, they spent the money to research it, they spent the money to market and develop it, and they needed a return on their product.

Canada's system, made in Canada, not like anywhere else in the world, decided that instead of 17 years of monopoly and exclusivity, they should have seven. Now we want to walk away from that.

That price competition benefited all Canadians. I will refer to other things later in my remarks that would corroborate that.

Another thing that the compulsory licensing system did was foster the growth of an indigenous Canadian pharmaceutical industry. We have in this country examples of companies, indigenously Canadian, which have prospered using compulsory licences.

The other thing that compulsory licensing did was that indirectly it actually rode shotgun on price increases in the industry. For those who had a patent, the fact that there was a compulsory licence taken out by what we call the generic manufacturer had the direct effect of limiting the price increase on the patented drug. Because the company that held the patent knew that if they increased the price, as was their right because they had a monopoly, beyond a certain level the generic manufacturer would jump in with the compulsory licence and manufacture the drug at a lower cost. That was an indirect result of our compulsory licensing that benefited all Canadians. It was the Canadian approach but the world did it differently.

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Based on a world-wide system, actually a mix and match, some countries in the western world subscribed to the 17 years of protection, the same kind of protection that the inventor of a new steel process or a new automobile engine would have. Other countries said to heck with it, they will not give anybody protection. They will simply take that steel process or that pharmaceutical and make it and will not give any royalties. They will not protect the patent. It was a bit of a mess.

However, since the last war the world has been consolidating in its rules in international trade and under

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the Uruguay round of GATT there was a commitment made I think by all of the member countries of GATT to provide uniform patent protection.

Canada then began to embark on this road of making our laws and the laws of all the other countries uniform. I simply ask the question now of whose system was better, Canada's or the 17 years of protection in the rest of the world, the 17 years of monopoly for pharmaceuticals? I do not have an answer to that, but I suspect that the Canadian system in comparison was really quite good. It served Canadians well for almost 25 years. We are going to walk away from it because the rest of the world, the big players, the multinationals, including the U.S., Swiss, French, English and German pharmaceutical companies, have all decided that Canada must join the club and use their rules, the 17 years of protection. I simply leave that question out there. Canadians know that they have benefited from the Canadian system.

Why does the rest of the world not change its rules to reflect some of the benefits and positive aspects of the Canadian system? The reason is that there are things called power and money. Those at the helm who hold the patent protection and who influence governments around the world a great deal, and we all recognize that, and who influence this government and past governments in Canada and all the others they influence have said that they want the 17 years and they are not prepared to let Canada or any other country outside the club continue in that approach.

We are now at a point at which we are going to give up all that we built in Canada in relation to pharmaceutical patents.

Last December, our Minister for International Trade met in Europe with the GATT countries and, as I understand it, without any authority from this House agreed that Canada would change its patent law, the stuff I have been talking about, effective December 20, 1991. That would be the day that Canada would give up its system. Our minister apparently agreed to that date without, as I say, any authority from this House and without checking with Canadians. That is the date that has been inserted in this bill. Retroactively, that is the date that our minister, the minister of this government, decided without authority that he would impose on